

By Mr. HEATON: A bill (H. R. 9914) granting an increase of pension to George Joseph; to the Committee on Pensions.

By Mr. KEY of Ohio: A bill (H. R. 9915) granting an increase of pension to Harry E. Bryan; to the Committee on Pensions.

By Mr. MERRITT: A bill (H. R. 9916) granting a pension to Carl N. Hubley; to the Committee on Pensions.

Also, a bill (H. R. 9917) granting a pension to Stephen K. Hamilton; to the Committee on Invalid Pensions.

By Mr. STEVENSON: A bill (H. R. 9918) granting a pension to Zebulon R. Campbell; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 9919) to correct the military record of Darius Atkinson; to the Committee on Military Affairs.

By Mr. TAYLOR of Arkansas: A bill (H. R. 9920) granting a pension to Mary A. Himmah; to the Committee on Invalid Pensions.

By Mr. TOWNER: A bill (H. R. 9921) granting an increase of pension to Daniel Keene; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 9922) granting an increase of pension to Francis Roy; to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 9923) for the relief of John McW. Ford; to the Committee on Public Lands.

By Mr. WHITE of Ohio: A bill (H. R. 9924) granting an increase of pension to John P. Bateman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9925) granting an increase of pension to Thomas R. Thompson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Irishwomen's Council, asking for the recognition of the independence of Ireland in the form of an Irish republic; to the Committee on Foreign Affairs.

Also (by request), resolution of the Grand Army of the Republic, favoring legislation giving American citizenship to aliens who serve in the Army or Navy; to the Committee on Immigration and Naturalization.

Also (by request), resolution of the Grand Army of the Republic, requesting the enactment of legislation for the return of the remains of those soldiers and sailors who may die abroad; to the Committee on Military Affairs.

Also (by request), resolution of the Grand Army of the Republic, asking for the passage of a bill providing for the payment of pensions monthly instead of quarterly; also a resolution of the same organization, asking for increase of pension to Civil War Veterans and aid to blind veterans; to the Committee on Invalid Pensions.

By Mr. CARY: Resolution of the Twentieth Century Topic Club, asking for the repeal of the periodical postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. CLARK of Pennsylvania: Petition of Mrs. Margaret Walthausen, Mrs. Louise Lang, Mrs. S. Althof, and 18 others, praying for the passage of House bill 7995, for the preservation of the Niagara, Commodore Perry's flagship in the Battle of Lake Erie; to the Committee on Naval Affairs.

By Mr. DILL: Petition of citizens of Spokane, Wash., asking for the passage of House bill 5531; to the Committee on Military Affairs.

By Mr. ESCH: Papers in support of House bill 9838, granting a pension to Sarah Morrill; to the Committee on Invalid Pensions.

By Mr. FOSTER: Petition of citizens of Oblong, Ill., protesting against grading second-class postage on any zone basis; to the Committee on the Post Office and Post Roads.

By Mr. FULLER of Illinois: Petition of Dr. F. A. Eastman and 60 other citizens of Rockford, Ill., opposing the zone system for second-class mail; to the Committee on Ways and Means.

By Mr. GALLIVAN: Resolution of the New York Antivivisection Society, protesting against compulsory inoculation of soldiers; to the Committee on Military Affairs.

Also, petition of H. M. McLarin, president of the National Federation of Federal Employees, against the Borland eight-hour amendment; to the Committee on Agriculture.

Also, petition of George F. Washburn, president Massachusetts Real Estate Exchange, favoring legislation for Federal acquisition of railways and canals to transport coal from mines near coast to all points along Atlantic coast; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON of New York: Affidavits to accompany House bill 9841, granting a pension to Charles B. Carlson; to the Committee on Pensions.

By Mr. HILLIARD: Resolutions adopted by the Woman's Club of Racine, Wis., and by the New Century Club of Wichita Falls, Tex., urging the repeal of that section of the war-revenue act increasing postage rates on periodicals; to the Committee on Ways and Means.

By Mr. STINESS: Resolution of the General Assembly of Rhode Island, indorsing the daylight-saving bill now before Congress, and urging the Senators and Representatives from Rhode Island to give it their support; to the Committee on Interstate and Foreign Commerce.

By Mr. TILLMAN: Resolution of a mass meeting held in Fayetteville, Ark., expressing loyalty to and confidence in the administration, especially in its conduct of the war, and deploring that criticism of the war management which has been of a destructive character; to the Committee on Military Affairs.

SENATE.

SATURDAY, February 16, 1918.

(Legislative day of Friday, February 15, 1918.)

The Senate met at 11 o'clock a. m.

RAILROAD CONTROL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Mr. CUMMINS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Henderson	Overman	Tillman
Chamberlain	James	Saulsbury	Townsend
Colt	Johnson, Cal.	Shafer	Trammell
Culberson	Johnson, S. Dak.	Sheppard	Underwood
Cummins	Jones, N. Mex.	Smith, Mich.	Vardaman
Curtis	Jones, Wash.	Smith, S. C.	Warren
France	Kellogg	Smoot	Watson
Gallinger	Knox	Swanson	Weeks
Hale	Lodge	Thomas	Williams
Hardwick	McCumber	Thompson	Wolcott

Mr. JAMES. I wish to announce that my colleague [Mr. BECKHAM] is detained on official business.

The VICE PRESIDENT. Forty Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of absent Senators, and Mr. McNARY, Mr. NEW, Mr. OWEN, Mr. POINDEXTER, Mr. REED, Mr. ROBINSON, Mr. SHIELDS, Mr. STONE, and Mr. SUTHERLAND answered to their names when called.

Mr. SUTHERLAND. I wish to state that my colleague, the senior Senator from West Virginia [Mr. GORF], is absent owing to illness.

Mr. FRELINGHUYSEN, Mr. ASHURST, Mr. HARDING, Mr. HITCHCOCK, Mr. KING, Mr. KIRBY, Mr. STERLING, Mr. MARTIN, and Mr. NORRIS entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

Mr. JOHNSON of California. I wish to announce that on Tuesday next after the routine morning business, with the consent of the Senate, I shall speak to the pending bill and the demonstrated necessity for Government ownership.

Mr. SMITH of South Carolina. Mr. President, it is very evident that for the time being at least the attention of Senators is given to certain hearings, investigations, and so forth, and Senators are going to committee rooms rather than appearing on the floor of the Senate. So it is almost impossible for us to keep a quorum here, at least to keep enough Senators here to justify business in debating the pending measure.

I wish to give notice now that on Monday next I shall make an effort to have some definite time fixed at which we shall get a vote on this bill. It seems to me that if the procedure we have followed up to the present is to be kept up, it might be a very good plan to adjourn the Senate until the work of the investigating committees has ceased.

Mr. THOMAS. Or adjourn sine die.

Mr. SMITH of South Carolina. As the Senator from Colorado suggests, it might be very well to adjourn sine die and let the business of the country be transacted in the committee

rooms. But be that as it may, it is useless to try to keep up this procedure that seems to be more or less a farce.

If the Senate is convinced as to the merits or demerits of this bill, I think we can conserve time and it would be of benefit to the country by bringing it to a vote. It is the most important measure that has been before this body in a generation or longer, and it is not receiving the attention that its importance entitles it to receive. I shall attempt to bring the matter to a close at the earliest possible time by a vote.

Mr. JONES of Washington. Mr. President—

Mr. SMITH of South Carolina. I yield to the Senator from Washington.

Mr. JONES of Washington. I wish to suggest to the Senator that the very moment we agree upon a time to vote then we shall not have anyone here to listen to the discussion.

Mr. SMITH of South Carolina. Then it will not change the situation.

Mr. JONES of Washington. I wish to ask the Senator if he does not think it would be wise for the Senate to revoke the permission that we have granted committees to sit while the Senate is in session, especially when such an important measure as this is under consideration?

Mr. SMITH of South Carolina. I think that is a splendid suggestion, but I am still of opinion that if Senators would really realize—not know, for perhaps they do know, but realize—the importance of this measure and the importance of an early determination of it they could suspend some of the hearings. I am of opinion that we have gotten into the habit of paying more attention to something that is sensational than to the fundamental principles to which we as Senators ought to devote ourselves.

Mr. OWEN. Mr. President—

Mr. SMITH of South Carolina. I yield to the Senator from Oklahoma.

Mr. OWEN. I wish to make a suggestion to the Senator from South Carolina. If the Senate would agree that a certain number of hours should be set apart for the consideration of this bill, and the Senate would order the committees to withhold their hearings within that period, the Senate in that way might have the presence of its membership to hear the discussion, and especially if we should have an agreement that speeches should not exceed 30 minutes, so that the Senate would not be exhausted by very long speeches but would still be able to get the different points of view of Senators on the floor.

Mr. SMITH of South Carolina. The suggestions indicate that there is a necessity for having some understanding. So I give notice now that on Monday I shall make an effort to have some definite time fixed at which we can vote upon the bill.

Mr. VARDAMAN. Will the Senator allow me to make a suggestion?

Mr. SMITH of South Carolina. Certainly.

Mr. VARDAMAN. There are a number of subcommittees at work to-day. One of which I am a member will probably finish its work this afternoon. If the Senate should adjourn until Monday and the Senators are given notice that the rule permitting committees to sit during the session should be revoked for the purpose of inducing the Senators to attend upon the deliberations of the Senate pending the consideration of the bill now before the Senate, I think it would result in a full attendance Monday morning and meet with the approval of Senators generally. I realize the necessity for immediate action upon the pending bill. It is a measure of far-reaching importance and ought to be passed upon at the earliest possible moment, and the suggestion I have made is for the purpose of facilitating its passage.

Mr. SMITH of South Carolina. Mr. President, time is too precious to waste, I do not say waste any of the arguments, but to waste any more time in the process of getting to some kind of an end of this matter. I do not think that I shall ask for any adjournment until Monday. I will let the debate take its course, even though it requires Senators to speak to empty benches, and I repeat that on Monday I shall make an effort to have a day fixed for a final vote.

Mr. CUMMINS. Mr. President, I desire to say a word to the chairman of the committee before he takes his seat, in view of the notice he has given. There is no Senator who is more anxious than I am to facilitate the disposition of this bill, and no Senator deprecates more than I do the fact that the majority of the Members of the Senate are sitting in committees where they think their work is imperative. But we shall have to choose between work in committees and work on the floor of the Senate. If Senators are free and do not choose to occupy their seats, that is a privilege that they must be permitted to exercise. But a very large part of the Senate is not free. It is sitting in committees considering important legislation, and

it is perfectly absurd and indefensible for the Senate to have under consideration a bill of this character and permit its important committees to sit for the consideration of measures which demand the attention of Senators elsewhere.

I have said this as a prelude to the suggestion that notwithstanding my great desire to speed the disposition of this bill there will be no unanimous consent to fix a time to vote upon the bill until there has been a fair opportunity to debate it upon the floor of the Senate, and there will be no fair opportunity to debate the bill until these committees cease their sittings and are at liberty at least to attend the sessions of the Senate.

Mr. OWEN. Mr. President, it seems to me in order to get the attention of Senators to the proceedings of this body it might be arrived at by setting apart a certain number of hours each day in which the bill would be debated and during which time the committees would be requested by the Senate not to sit but the Members to attend the sessions of the Senate. It is a very important bill, and I think Senators ought to debate it and ought to hear it debated; but without any plan it is obvious that the committees will go on as they have in the past, and if the members of those committees are not present to hear the discussion of the bill Senators feel that they ought to repeat things which they have said before as they get the different membership present. If we could get the Senate together to consider this bill within a certain number of hours each day, it could be debated to the satisfaction of every Member of the Senate and at the same time the Senate would really hear the discussion.

Mr. CUMMINS. That is precisely in the line of my suggestion.

Mr. OWEN. Can we not reach some plan?

Mr. CUMMINS. If the committees would meet in the morning and the Senate not meet until 2 o'clock and divide the day in that manner, it would be perfectly satisfactory, I am sure, to everyone. But without thinking of myself or of any other member of the committee, it is not fair to the Interstate Commerce Committee, to the chairman of the committee, who has devoted a great deal of time to this subject, to allow him to bring forward a bill and have it considered under such circumstances as to prevent any full or fair consideration of it.

If an arrangement can be made through which a day can be divided in that way, I shall be perfectly content; but I am not willing that the bill shall be voted upon with the greater number of Senators occupied in their committee rooms and so occupied that they can not possibly be here. I do not know whether or not they could get excused to come here to vote upon the bill. It may be that they might be relieved for that one act.

Mr. THOMAS. Mr. President, it seems to me we are wasting a good deal of time over a subject which, however long we may discuss it, will not amount to much. I think the attendance of Senators in the Chamber is just about as numerous when committees are not sitting as when they are sitting. I know of no manner in which Senators can be compelled to remain here unless we change our rules. We might close our cloakrooms, and possibly the restaurant, and by that means shut off all other places of entertainment and make those who are not attracted here by the speeches come here for want of a place offering better opportunities for entertainment.

The fact is that Senators do not and will not remain here during the discussion of important measures, except occasionally, and the sessions of the committees and the absence of those sessions neither of them in my judgment affects the average attendance of Senators upon the floor during the discussion of bills. So let us go on and discuss this measure and reach a vote as soon as we can.

Mr. NORRIS. Mr. President, there is a great deal of force in what the Senator from Colorado [Mr. THOMAS] has said. It may be that we would not have much of an attendance on the floor if committees were not in session, but there are Members of the Senate who want to hear this debate and who do have important committee hearings which they also desire to attend. There ought to be an arrangement, at least for those who want to hear the discussion, to be able to be here without neglecting some other important business.

I thought yesterday, when we took a recess until 11 o'clock this morning, it was breaking in without any notice on arrangements that had already been made for hearings before some committees at least; that if the Senate met at 11 o'clock it would interfere with those. I have no objection to meeting at 11 o'clock if some other arrangement is made about committee meetings or if we could have some notice that that was going to happen in a week from now.

I desire, however, to state what actually occurred this morning in the Committee on Agriculture. The Committee on Agri-

culture is having hearings which are vitally important, or I think they are vitally important, on the question of the conservation of food and production of food, which will go as far as anything else in winning this war. We have been meeting in that committee and running our sessions up until 12 o'clock, with those hearings. Yesterday the committee adjourned at 12 o'clock to meet this morning and expected to run until 12 o'clock. In the meantime the Senate took a recess until 11 o'clock. That meant that those hearings were interrupted. Members of the committee were over there—I was among the number—eager to hear the most interesting discussion of a witness who was giving us some extremely valuable information as to the condition of the live-stock and the grain-producing sections of the country. Some of us at least wanted to be here. It is impossible, however, to be at both places at the same time. The Senate took its action after the committee had adjourned, and at 11 o'clock to-day there was before the committee a man from Oklahoma—

Mr. OVERMAN rose.

Mr. NORRIS. In just a moment I will yield to the Senator. The president of the Farmers' Union of the State of Oklahoma, one of the most interesting witnesses, a man who is well informed, was giving us in concise language valuable information, which every Senator would be glad to read if he could not be there and hear it; but when the Senate met at 11 o'clock we had to leave in the midst of his testimony. It was not fair to those who desired to get this information; it was not fair to those who desired to be present at the hearings and who also desire to hear this debate. Now I yield to the Senator from North Carolina.

Mr. OVERMAN. Mr. President, I desire to say, along the line of what the Senator from Nebraska [Mr. NORRIS] has been saying, that no notice was given of the intention of the Senate to meet at 11 o'clock this morning, and that in the Committee on Appropriations we had under consideration one of the great appropriation bills.

Mr. NORRIS. Exactly.

Mr. OVERMAN. At 11 o'clock, the usual time, not knowing that the Senate had taken a recess until 11 o'clock this morning, a meeting of the committee was called; but as soon as we got that notice, we adjourned the committee.

Mr. NORRIS. Exactly.

Mr. OVERMAN. There ought to be some notice of such intention on the part of the Senate, so that the chairmen of committees should be aware of it when they call meetings of committees.

Mr. NORRIS. Certainly. What the Senator says merely bears out what I have stated. I wish to say that the witness before our committee, to whom I have referred, had made arrangements to go away to-day, as he had a right to do, because we understood the committee would be able to continue in session until 12 o'clock, at least, yet because of the action of the Senate here yesterday all of these matters have been interfered with.

Mr. MARTIN. Mr. President, I merely wish to say a few words. I shall not occupy the Senate five minutes.

I think it is known to all Senators that the Director of Railroads is very much embarrassed by the want of the legislation contemplated by the pending bill. He called me over the telephone and told me that he was delaying matters; that the whole business of railroad traffic was impeded, hindered, and delayed because of the lack of legislation that was absolutely necessary for him to carry out the purposes for which the railroads were taken over. I think the primary consideration should be with the Senate to speed this bill. I think everything ought to give way for it, and that it ought to be kept continuously before the Senate. The debate ought to be allowed to proceed in order to reach a vote as early as possible.

I am not suggesting that there should not be debate. The bill is a very important measure and Senators ought to debate it. I am not attempting to suggest that it should not be debated, but I do suggest and I do appeal to Senators to give the fullest opportunity for debate in order to speed this bill to a final vote.

I do not myself believe that any time will be gained by undertaking to change the long-accustomed usages of committee meetings. Committees will adjourn to enable their members to be in the Senate when they can do so. The Appropriations Committee had the diplomatic bill before it this morning, and it adjourned the consideration of that bill in order that its members might be on the floor of the Senate to hear the discussion of the railroad bill. I think other committees will do the same. I do not believe it would be wise to change or attempt to regulate the hours of committee meetings. I think all we can do is to keep the railroad bill continuously before the Senate and to speed its passage as far as possible. I feel that that is urgently

important. I think if we will go along in the old beaten path Senators who want to be present and hear the debate can be here, just as the members of the Appropriations Committee adjourned their session so as to be present in the Senate Chamber this morning. I do not believe we shall gain any time by attempting to coerce committees by new regulations to which they are not accustomed. To just let the debate proceed, keep the bill before the Senate, and get a vote as soon as possible is what I think should appeal to every Senator on the floor.

Mr. CUMMINS. Mr. President, I recognize the difficulty of carrying forward a discussion of the apparently uninteresting subject proposed in the bill now before the Senate. It would be a fitting tribute to the occasion if some one of my distinguished associates upon the other side of the Chamber were to move for an adjournment in order that our minds might be composed and in order that we might gradually prepare ourselves for the consideration of the questions which are before us. I am not saying this in any malicious or ill-natured spirit, for I understand perfectly that for a little while at least it is necessary that most of the Senators shall be absent from the Chamber; and I premise what I have to say with the suggestion that if presently there are no great number of Senators who take any interest in this matter I shall move to adjourn until we are better prepared to discuss the vital things that are proposed in the bill.

Day before yesterday I listened with profound interest to the eloquent homily delivered by the Senator from Illinois (Mr. LEWIS), a distinguished member of the committee which reported the bill under consideration, upon liberty, justice, independence, the equality of opportunity, and the perpetuity of democracy throughout the world. What does it avail us to thrill, as we all did, under the utterance of these lofty sentiments unless we are willing to carry into legislation the principles which he so beautifully expressed? And I am waiting with a good deal of interest to see whether he and the other members of the committee who listened to him as I did are willing to enact justice as well as proclaim it.

Why should we erect a statue to liberty, to freedom, to equality, and then at once close and lock the doors to the opportunity declared by our forefathers, and to fortify which and to perpetuate which we are now summoning all the energy of all the people of the United States?

These abstract conceptions of democracy, of equality, of justice are recognized by all people and have been recognized by all nations during all times; but the difficulty has been that we arise from the worship of the shrine of these exalted conceptions and immediately proceed to enact injustice; not consciously, for I am not suggesting a conscious purpose on the part of any Senator or any Member of Congress to do injustice. I am only calling to your attention the fact that it is infinitely easier to eulogize justice, democracy, liberty, equality, than it is to enforce these noble sentiments through the legislation which alone can secure them for the people of the country.

A few hours ago I received a letter from a distinguished educator of my State, a man who, I am sure, feels none of the prejudice which is supposed to exist against wealth or property; and I intend to take the liberty to read it, for it is very brief. He says:

I understand the Senate will pass a bill guaranteeing the railroads an income equal to the average of the past three years. I know we do not do this for the men whom we drafted. Why are the railroads treated better than our soldiers? An answer will be appreciated.

How would you, fellow Senators, have answered the letter I have just read? How would you have distinguished the difference between taking the man from his ordinary avocation and the compensation which his energy and ability command and taking the property which he might have theretofore accumulated? There is a difference. But I mention the letter for the purpose of emphasizing the thought which is uppermost in my mind as we continue the consideration of the bill which proposes high compensation to the railroad companies whose properties have been taken over by the Government.

I answered him by saying that under our Constitution every citizen owed to his country, without compensation, without reward, his life if it became necessary to take it, but that under the same Constitution when the Government took property for the defense of the Nation it must pay just compensation for it. Whether this distinction can be defended in the court of original reason it is not for me to say, but it is pertinent here when we remember that we are about to offer compensation for railroad property of 10, 12, 15, and 20 per cent per year upon all the capital which the owners of the property have invested in its creation and construction. Whatever may be the necessities of warfare, and ours are very great at this time, there is nothing in our Constitution, nothing

ing in our traditions, nothing in our civilization, which warrants the compensation proposed in the bill before us.

I shall confine myself at this time to the question of compensation for the use of the property which the Government has taken over and is now operating. I intend to prove—and I use the words deliberately and reflectively—that the compensation proposed in the bill is about \$200,000,000 annually more than it ought to be, more than it need be, in order to fulfill the highest standard of the law and of the Constitution.

The bill proposes that the Government shall remain in possession of the properties of which it has assumed control for 18 months after the war shall have ended. None of us can predict with certainty the period of the war, but it is conservative, I think, to suggest that the bill means Government possession and operation for at least four years. The aggregate overpayment which this measure offers is, therefore, about \$800,000,000. I intend to show that this vast sum is to be taken each year from the people, who are already overburdened, and to be given to the railway corporations without a shadow of right, reason, or justice.

There is but one precedent in all history for the proposal contained in the first section of the bill now before the Senate. It will be found in the Scriptures, and may be thus quoted, although I am not entirely sure of the literal accuracy of the quotation; but somewhere in the Holy Writ it is said—not approvingly, I am glad to know—

To him who hath shall be given, and from him who hath not shall be taken away, even that which he seemeth to have.

Mr. ROBINSON. Mr. President, I would ask the Senator from Iowa if he is sure of the accuracy of his Scriptural quotation, if he is attempting to quote Scripture?

Mr. CUMMINS. I said that I was not absolutely sure of the literal accuracy of the quotation, but I will risk something upon its substantial accuracy.

Mr. KNOX. Mr. President—

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. CUMMINS. I yield to the Senator from Pennsylvania.

Mr. KNOX. If the Senator will yield to an expert upon the subject, I will give him the quotation accurately.

Mr. CUMMINS. There is no man in the Senate to whom I would appeal more readily than to the Senator from Pennsylvania in order to know just what the Bible says upon any question.

Mr. KNOX. That is a just acknowledgment, which I very much appreciate; but the concluding line of the passage which the Senator from Iowa has quoted is "from him shall be taken away even that which he hath." The word "away," I think, is used, but the word "seemeth" is not in the quotation.

Mr. CUMMINS. I felt that way, but I might as well confess now to the Senator from Pennsylvania that I have recently read that verse of the Scriptures, and I think the word "seemeth" is in the verse.

Mr. KNOX. Mr. President—

Mr. CUMMINS. I am afraid the Senator from Pennsylvania has not read the modern version or the modern translation of the Bible. I am afraid since his boyhood he has not consulted that Book very much or he would know that the word "seemeth" is there.

Mr. KNOX. I should like to say, Mr. President, that I not only insist that I am correct, but that I would not have ventured to have undertaken to correct the Senator from Iowa if he had not just a few moments ago disavowed that he had recently looked the quotation up.

Mr. CUMMINS. I did not disavow that.

Mr. KNOX. That was the impression made on my mind.

Mr. CUMMINS. I said I was not sure of the literal accuracy of my quotation. Mr. President, might I ask the Secretary of the Senate to produce his Bible, and to read that verse in the Scriptures?

Mr. GRONNA. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. CUMMINS. I yield to the Senator from North Dakota.

Mr. GRONNA. I think the Senator from Iowa might have said that this was stated by the Master in the Sermon on the Mount; and while the Senator from Pennsylvania (Mr. Knox) is correct according to the Gospel of St. Matthew, the Senator from Iowa is correct according to the Gospel of St. Mark.

Mr. CUMMINS. Mr. President, it is evident that the Senator from Pennsylvania never got further than the first book of the New Testament. It really is an unimportant thing, but I should be very glad if the desk would give to the Senate the full and accurate version of this quotation.

The PRESIDING OFFICER. The Chair will say to the Senator from Iowa that the Senate seems to be without a Bible.

Mr. CUMMINS. No matter, Mr. President, what the variation in memory may be with regard to the Bible, the thought is that it is the way of the world to give to those who have and to take away from those who have not the little they are struggling to keep. It is from that standpoint I mention the only precedent of any high authority for the proposal made by the majority of the committee.

Mr. SMITH of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. If the Senator will allow me, in behalf of the committee and for myself, before he begins a discussion of the proof that we are likely to pay or that we are going to pay the railroads \$200,000,000 annually more than they are rightfully entitled to, I presume he means by that that we are now going to continue to allow the roads to earn out of their property \$200,000,000 that they have been earning and have not been forbidden by any law to earn and by any process to earn any less, and that the proof which he will bring is, in effect, that for all the times of peace up to this emergency they have been earning that amount or a pro rata amount upon the property.

Mr. CUMMINS. Mr. President, the Senator from South Carolina has a glimmering, at least, of the thought in my mind, although he does not express it just as I should. I think he will clearly perceive the basis of the statement I made a few moments ago as I proceed with my argument, and I tell him now, and I tell the Senate now, that every fact which I shall use upon the point just made will be found in tables that have been prepared by and been furnished to me by the Interstate Commerce Commission or the statistical bureau of that body, with this exception, that I take one fact from the report of the majority of the committee, now so ably represented by the Senator from South Carolina.

Mr. SMITH of South Carolina. I should like to ask the Senator just a question. The Senator can not say, and he is not saying, that the committee in this proposed law is allowing the railroads \$200,000,000 annually more than they were making before this war period?

Mr. CUMMINS. I do not.

Mr. SMITH of South Carolina. That is the point I was making.

Mr. CUMMINS. I do not make any such assertion, although I may accompany what I said with the statement that, in my judgment, we are allowing the railroads nearly \$200,000,000 more than they would earn during the next few years if the property were to remain in their possession and under their control.

Mr. President, the question presents an issue so big in principle and so tremendous in consequences—for its consequences are not confined to the mere payment of the money, vast as the sum is, during the period of Federal control—that no Member of Congress can escape it. No matter what we may do here, it will be settled finally in the highest forum of a free country.

Although I am conscious that I repeat some things that have already been said, in order to preserve continuity, I refer to the way in which the question arose and the manner in which it comes before this body. In 1916, as a part of the military appropriation bill of that year, we passed a provision which authorized the President in time of war to take possession, to assume control, and to operate the systems of transportation in the United States in order to more effectively prosecute the war. Let it be distinctly understood as I proceed that I have no criticism of that legislation; it meets my hearty approval, as it did when it was adopted by Congress. Let it be also understood that I have no objection to the act of the President in taking possession of the railroads of the United States. I am willing, and I am desirous, of making that control as effectual and as complete as it is possible to make it.

The Senator from Minnesota [Mr. KELLOGG] yesterday recited very graphically, and I think very correctly, the things that had been accomplished by the railway companies in order to make their properties more efficient since the war began. There is not a single word which he uttered respecting the loyalty of the railway managers and their sincere desire to render all the assistance which they could render to the Government in its hour of peril to which I do not heartily subscribe. I think that the railway managers of the country from the 7th of April, 1917, until the 28th of December of that year when they were relieved of their responsibility by the action of the Government, accomplished almost a miracle in the better use and in the

higher coordination of the transportation facilities of this country in order to meet the imperative and supreme needs of the Nation.

At the same time, I was of the opinion from the beginning—and observation and experience have only strengthened the conviction which I entertained—that it was not within the power of the railway companies to do the things which this country required to be done under the conditions which confronted and surrounded us. If there had been nothing more in the problem than the mere handling and movement of engines and cars, I agree with the Senator from Minnesota that the organizations already in charge of these great enterprises could have handled and moved the cars and the traffic more efficiently than it is possible for the Government to do in the first hours of the transition, because there is a confusion incident to the change which only time can remove, and some of us are not sure that even time will obliterate the difficulties and embarrassments under which the Government must act. But there was one obstacle, fatal, insuperable, which the railway management could not overcome; there was one thing which the railway companies could not do, no matter how loyal their officers and managers were and no matter how efficient they might have been. That thing was the operation of the transportation instrumentalities of this country as a unit. That obstacle was the impossibility of treating the railroads of the United States as a single system, ignoring all corporate interest or selfish advantage. It could not have been expected and, of course, was not accomplished. Nor could the obstacle have been overcome by the repeal of the antitrust law with regard to the railroads, nor by the repeal of the antipooling provision of the interstate commerce act, because, even if the railway companies had been free to agree with each other respecting the disposition of traffic, the movement of trains, and the division of earnings, there still would have remained the natural, the inevitable desire upon the part of those who were responsible to the bondholders and stockholders of any given company to work for them as against the whole world. There was but one way to mobilize all the transportation facilities of the United States, and that was to brush aside, to eliminate every interest which the railway companies had, except the interest to serve their country.

It is for this reason that I stated in the minority views which I had the honor to present, that my only criticism of the administration was that it had not taken possession of the railroads of the country immediately after the declaration of war, precisely as Great Britain did. Great Britain entered the war on the 3d or 4th day of August, 1914, and on the same day or the day following the Government took possession of all the railways of Great Britain. I modify that by saying all the railways of England, Scotland, and Wales, and within a few weeks thereafter assumed the same possession of the railways of Ireland. Great Britain knew, just as we ought to have known, that when it was desired to put into the service of the Government, shorn of every other interest, all the transportation facilities of a great country, we must remove an obstacle which could not be removed by the voluntary arrangements or agreements of the railroad companies themselves. I would have been far better satisfied if on the 8th day of April, 1917, the President had done what he did upon the 28th of December, 1917, for, if the transfer had then been accomplished, some of the chaos which is incident to a change so mighty in its character could by this time have been overcome, and we would be enjoying at this moment a more efficient transportation service than we now enjoy.

I think, too, that it is to be regretted that in the act of taking the railroads the proclamation of the President, which evidenced the purpose of the Government, was not more specific and definite. We do not know what railroads have been taken over.

There is no human being who knows how much of the 250,000 miles of American railways is now in possession of the Government. There has been no action on the part of the Government with respect to any one system or any one railway that has not been taken with regard to every railway in the country; and the director general declared before our committee that the notices, giving an account of the President's proclamation, which were sent out to all the railway companies of the United States, were not to be construed as a declaration upon the part of the Government that the companies or railroads to which these notices were sent had been taken over. Nobody knows at this moment whether the 1,800,000 men who are now operating these properties are working for the Government or are working for their respective corporations. Nobody knows whether the millions of dollars which are pouring every day into the treasuries of these companies belong to the United States or whether they belong to the railway corporations. There is great danger of a destruction of the morale of the service in view of this unfortunate uncertainty.

I mention these things, Mr. President, not for the purpose of arraying myself in opposition to the administration with regard to its action in the matter, but as expressive only of my regret that the action was not sooner taken and was not more certain and definite in its character.

Mr. KING. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield to the Senator from Utah.

Mr. KING. It is rather presumptuous upon the part of a Senator who is not a member of this important committee and who has not had the advantages that have accrued from listening to the testimony offered in the hearings to make any suggestions with respect to the question which the Senator is now discussing; but does it not seem to the Senator that his criticism of the taking over of all of the railroads and his suggestion that the morale of the service is now deleteriously affected is rather unfair and unwarranted? Could the President have acted other than in the manner in which he did act? Was it not better, and was it not the only way, to take all of the railroads, and then, by a policy of exclusion, remit to private management and control again those that were found to be unnecessary for the public defense?

As I understand, if the Senator will pardon me further, in taking over the roads there has been no attempt to interfere with the management of the roads. Directors, presidents, and superintendents have been left in control, and the employees are as they were prior to the 26th day of December, 1917. There is a constructive possession by the Government, not an actual physical one, and nothing has been done by the Government to interfere with the operation of the roads under the control of those who in the days and years passed have been controlling and operating them. So I ask does not the Senator think that his criticism is rather too severe in respect to this course of procedure?

Mr. CUMMINS. It might be said, Mr. President, that my criticism is immaterial, but it is not severe. The Government knew or, from my standpoint, ought to have known when possession was taken of the transportation systems of the country, that they must all be taken. It is a sign of the imagination, I think, to insist that the Government may go forward gradually and ascertain just which of these railroads it desires to continue to operate. If the Government were taking possession of the railroads for military purposes only, there would be much weight in the suggestion just made by the Senator from Utah; but the Government has taken possession of these railroads for all purposes. The direct service to the Government is very small as compared to the service rendered in general commerce. General commerce must go forward. It must continue unabated, and we hope with accelerated vigor. All the railroads, or all the competitive railroads at least, are necessary in order to carry this commerce; and I am not a believer in the theory which apparently prevails in some quarters that the Government ought to take possession of a little part or even a large part of the entire system and exclude a great number of properties which depend for their existence and for their maintenance upon the continued relation with the properties that may be taken over by the Government. That is a difference in view.

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. CUMMINS. I yield to the Senator from Arkansas.

Mr. ROBINSON. In order that I may get more accurately the viewpoint of the Senator from Iowa on this subject, does the Senator feel that the Executive should be required to take over a road or a system that he does not need?

Mr. CUMMINS. I do.

Mr. ROBINSON. The Senator is aware of the fact that in some sections of the country—in many large areas, perhaps—there is not that pressing need for Federal control and operation of railway lines that exists in the East; and the Senator feels that if the President takes over one railroad he should be required to take over all? Do I understand the Senator correctly?

Mr. CUMMINS. No. The Senator from Arkansas knows my view upon that subject.

Mr. ROBINSON. I am not sure that I do.

Mr. CUMMINS (continuing). Because I have introduced an amendment which covers my thought in the matter. I do not want to discuss that amendment at this time.

Mr. ROBINSON. I understand.

Mr. CUMMINS. I referred to the action of the President in a purely preliminary way, in rather a historical way.

Mr. ROBINSON. If a road is constructively taken over—and I think the Senator will understand what I mean by that—notice is given that it is taken over, but no interference is in fact put into operation by the Executive. In that case would any legal damage accrue to that railroad by reason of the alleged constructive taking over?

Mr. CUMMINS. I do not think any legal damage occurs.

Mr. ROBINSON. Then what would be the harmful effect of giving the Executive the opportunity of making the necessary investigation to satisfy himself as to just what lines are needed, if the constructive taking of the property does not work any legal damage to the railroad?

Mr. CUMMINS. Mr. President, I attempted to say a few moments ago that I thought the railroad systems of this country must be considered as a unit when the Government is operating them, and that is the one reason which made it necessary for the Government to take them from the possession of their owners and submit them to public operation. If that reason did not exist, then, in my judgment, the President has acted without authority.

Mr. ROBINSON. If I correctly understand the Senator's viewpoint, it is that if the Executive takes a line of railroad he should also be required to take all competing lines.

Mr. CUMMINS. That is my opinion. I do not intend to discuss that in connection with section 1, however.

Mr. ROBINSON. I understand. I only asked the Senator that question because at this time he was, as I construed his remarks, criticising the Executive for the manner of the taking.

Mr. CUMMINS. I am sorry that a mere expression of difference of opinion with regard to the best way in which to have proceeded is to be construed as a criticism. I do not look upon it as a criticism. I do not want to stand in the attitude of criticising a policy in which I thoroughly believe; but I hope I may be at liberty, without offense, to express the notion that it would have been more effective and more just if the action of the Government had covered the properties which are necessarily affected by the action.

Mr. ROBINSON. I will say to the Senator, and then I will not interrupt him further on this point, that my use of the word "criticism" was exactly in that sense. I assumed that the statement that the taking over could have been accomplished in another way was at least an implied criticism; but I did not use the word "criticism" in any objectionable sense, and, of course, I concede the Senator's right—

Mr. CUMMINS. I hope the Senator from Arkansas will understand that all I am trying to do is to reach the truth of this matter, and that I intend to treat every difference of opinion with the utmost toleration. I so often need indulgence of that kind myself that I am not inclined to bear very hardly upon those who may differ from me about it.

Mr. ROBINSON. I hope I have not said anything to imply that the Senator from Arkansas has any other desire or any other purpose in connection with the matter. I concede the Senator's right and his duty to express his views.

Mr. CUMMINS. Passing from the act of 1916, which is the origin of the authority which has been exercised by the President, permit me to say, Mr. President, that the next visible step taken in this course was in the proclamation of the President, issued, I think, on the 28th day of December, 1917. I have already indicated my view of that act on the part of the President. I think he had reached a time or confronted conditions of a character which made it absolutely necessary to do the thing which he did; and the logical outcome of the thing he did was to take possession of the entire transportation system of the country, because he proposed, and the Government now proposes, to render general service to the people of the United States in the transportation of their persons and their properties, entirely removed from the mere prosecution of the war or the transportation of war material.

Having introduced it in this way, I call your attention to the first section of the bill, for it is this section which gives rise to the question I am discussing. The part of it upon which I desire to comment reads:

That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation—

I beg you to note that the word "railroads" is not in the act of 1916. It is not in the proclamation of the President. It is not in the statement issued by the President which accompanied the proclamation. It was inserted in the bill by the Committee on Interstate Commerce, and I think very unfortunately inserted. I might as well explain it now, although it has nothing to do with the compensation that is to be agreed

upon between the railroads and the country. It is unfortunate because it permits a railroad which is owned and controlled by another railroad to enter the Court of Claims and secure what the Constitution denominates just compensation for the use of that particular road, although it has been fully compensated for in dealing with the system of which that railroad is a part.

As an illustration, take the Union Pacific road as the system, and the Oregon Short Line Railroad as one of its parts. The Union Pacific Railroad owns the stock of the Oregon Short Line. There may have been a recent consolidation; I do not know. It owns practically all of the stock of the Oregon Short Line. So far as the business done over the continuous rails which stretch from Omaha to Portland is concerned, the Union Pacific can determine just what division of those earnings shall be made. It can give the Oregon Short Line a mileage division, or it can give it a larger or a lesser part of the earnings upon through business, and substantially all of the business is of that character. The Union Pacific enters into an agreement with the Government under the standard that is here proposed, reaping the full benefits of the earnings of all its properties. The Oregon Short Line says: "We will not enter into any agreement with the Government. We will appeal to the condemnation tribunal here created, and finally to the Court of Claims, and secure an award with respect to the value of the use of our properties," although every beneficial use of that property has passed to the Union Pacific, which has already entered into an agreement with the Government.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield.

Mr. KELLOGG. I should like to ask the Senator from Iowa if it is not a fact that the committee inserted the word "railroads" in order to cover a case of this kind: There may be some single short-line railroad not connected with any interstate system of roads, and the committee thought it would be wise to use the word "railroads" so that if the President saw fit to take over that line the President could do it. It was not put in there, as I understand, for any purpose of the kind now mentioned by the Senator, and this is the first time I have ever heard that mentioned. Is it not a fact that in the case mentioned by the Senator—the case of the Union Pacific and the Oregon Short Line, the President is not obliged to make any arrangement with the Union Pacific unless the Oregon Short Line comes in as a part of the system, and the roads have no rights whatever that the President is not willing to give them?

Mr. CUMMINS. Mr. President, I entirely acquit the committee of any design to enhance the sum which we are called upon to guarantee to the railway companies by the introduction of the word "railroads"; and I am quite willing to accept the view just stated by the Senator from Minnesota as to the reason in the minds of the members of the committee when that word was inserted. I only say that it is capable of indefinite abuse. When you remember that the Pennsylvania Railroad Co., for instance, has within it more than a hundred railway corporations—I think I am very much beneath the number, possibly—when you remember that the Great Northern and the Northern Pacific own all the stock of the Chicago, Burlington & Quincy Railroad Co.; when you remember that the Southern Pacific Railroad Co. controls, through stock ownership or leases, practically all the railroads in the southwestern part of the country, you can easily see how the use of a word of this kind, employed for a perfectly proper purpose, may be used for a very improper purpose. I was only commenting on it as I passed, because I think before we have finished the bill we ought in some way to limit the compensation of these properties which are parts of a system already under an agreement with the Government.

I proceed with the reading, although I am bound to say that I think when the Senator from Colorado [Mr. THOMAS] in 1916 used the term "systems of transportation" he had a more accurate and comprehensive view of the thing to be accomplished than the Senators who put into the bill subsequently the word "railroads."

That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission that during the period of such Federal control it shall receive as just compensation not exceeding an annual sum (herein called standard return), payable in reasonable installments, for each year and prorata for any fractional year of such Federal control,

equivalent as nearly as may be to its average annual railway operating income (including therein such income of lines acquired by, leased to, or consolidated with such carrier between July 1, 1914, and December 31, 1917) for the three years ended June 30, 1917, and in addition thereto an annual sum payable likewise in reasonable installments reckoned at a rate per centum to be fixed by the President upon the cost of any additions or betterments, less retirements, or road extensions, made during the six months ended December 31, 1917.

It is, Mr. President, to the standard of compensation declared in that part of the section which I have read to which I especially object. I happened to receive a few days ago a circular letter issued by Carpenter & Co., of Washington. It is typical of a great many circular letters that are being issued concerning this bill and I want to read a very little part of it. It begins:

DEAR SIR: If you contemplate investing in any of the standard railroad or industrial stocks on the New York Stock Exchange, the inclosed list, showing present and past earnings, will no doubt be very interesting.

There is every reason to believe that the legislation outlined by President Wilson will be carried into effect at an early date and earnings of railroads guaranteed as indicated by the double stars, consequently such roads as Union Pacific, Reading, Atchison, Great Northern, Northern and Southern Pacific are particularly attractive.

I need not read more of this letter, and I produce it only for the purpose of showing the effect which this proposed legislation is producing in the minds of those who are interested in the selling and buying of railway securities.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield to the Senator.

Mr. KELLOGG. I should like to ask the Senator if he thinks a circular letter sent out by a broker to sell stock is a fair piece of evidence to submit to the Senate as to the reasonableness of any bill?

Mr. CUMMINS. The letter that I submit is perfectly fair, for I shall prove before I am through that all the statements made in the letter and in the circular attached to it are based upon irrefutable facts, and after all it is the public estimate of what given legislation will do for a particular interest that is valuable when we come to consider the public mind. Attached to this letter there is a circular which is dated New York, January 25, 1918. It is headed:

The record below of earnings includes those of many railroad issues to date. The double stars after figures given indicate the net earnings that would be allowed if plans now carried by bills pending in Congress on railroad control are finally approved.

I may say here that the bill before us has increased to some extent the guarantee proposed by the railway companies as compared with the bill which was originally introduced.

Atchison—

Meaning the Atchison, Topeka & Santa Fe.

Mr. WATSON. If the Senator will yield—

Mr. CUMMINS. Certainly.

Mr. WATSON. In regard to that statement, I presume the Senator refers only to the increment between June 30, 1917, and December 28, 1917.

Mr. CUMMINS. It is to that part to which I refer, and I am not criticizing that part of it either.

Mr. WATSON. No, I understand.

Mr. CUMMINS. But nevertheless it is a fact that the compensation has been increased since the bill was introduced.

The Atchison is dignified and distinguished by two large stars, which declares that its earnings upon stock as guaranteed by this bill will be 12 per cent. The Baltimore & Ohio has also two stars after its name, and it is said that the guaranteed earnings will be 7 per cent; the Chicago & North Western, also designated by two stars, earnings 10 per cent. This is of course upon capital stock. The Chesapeake & Ohio, 8 per cent; the Delaware & Hudson, 11 per cent; Great Northern, preferred, 10 per cent; Illinois Central, 11 per cent; Louisville & Nashville, 15 per cent; Norfolk & Western, 14 per cent; New York Central, 11 per cent; Northern Pacific, 10 per cent; Reading, 9 per cent; Southern Pacific, 11 per cent; Union Pacific, 14 per cent. There are others of less consequence which I need not read.

Mr. President, I can not agree with the Senator from Minnesota that estimates of the character I have just read are either immaterial or unimportant. There are no shrewder—

Mr. WOLCOTT. Mr. President—

Mr. CUMMINS. I will yield in just a moment. There are no shrewder or more intelligent observers in the country than those who are engaged in the business of buying and selling railway stocks, and when it is known that Wall Street looks upon this bill from the standpoint I have just indicated we may be very sure that the country at large will view it in

practically the same way. I now yield to the Senator from Delaware.

Mr. WOLCOTT. Mr. President, as illustrating what seems to me to be the utter unreliability of such a statement, gotten up by stock brokers who may be actuated by a purpose to bull a certain line of stock, I should like to call to the Senator's attention something that came under my observation, I think it was last year. I used to curiously follow some of these estimates and see how they panned out. I recall that one railroad was for weeks listed in such a circular as earning 8 per cent on its stock. I observed when the actual report got out that the railroad was earning 1 per cent. The experts in that case were about 7 per cent off.

Mr. CUMMINS. The Senator from Delaware is very unfortunate. I suppose he was easily misled. I said a moment ago I intended to prove that these statements were correct by the reports of the Interstate Commerce Commission, and while in some instances there is a slight variation, in some instances they are a little too high and in some instances they are too low. I instance it only to show that upon the basis that we are preparing for this country those who are to deal in these stocks in the future understand what we are doing for the railway companies. I have not as yet come to that part of my argument in which I shall attempt to analyze whether we ought to pay them 10, 12, 15, or 20 per cent or not. I will come to that a little later on, but I am trying to hammer in, if I can, and if it can not be hammered in before an uninterested Senate it will be hammered in before an interested country, that in time of war, in time of dire distress, in a time when every man must give to his country all he has and all he is, when unselfishness ought to prevail, we are proposing to give to the railway corporations of this country a reward upon their capital stock never before dreamed of in the avarice of public utility capital.

The Senator from Minnesota [Mr. KELLOGG] said, and said correctly, that this bill does not require the President to make an agreement with each railroad employing the standard which we authorize. Technically, Senators, that is true. Practically, it is a direction to the President to make agreements with these railway companies upon the basis which we are here establishing.

We all know the atmosphere which surrounds the whole subject at this time. We are told that the railway stocks and the railway bonds must be strengthened and fortified in the markets of the country. We are told that the confidence of the people in their soundness must be increased and deepened. We are told that if the railway companies were compelled to resort to legal proceedings in order to ascertain the just compensation for the use of the property the financial and commercial fabric of the country would totter and fall, and we were told before the committee in substance that if we did not enter into contracts of this character with the railroad companies they would resort to legal proceedings; that the only way in which we could secure the cooperation of the railway companies of the country was to establish the standard that is proposed in this bill. I have no doubt, although I do not know, of course, that they have communicated the same purpose to the President and to the Director General. Personally, I do not accept their statements in that regard. Personally, I believe that if we would offer to them fair and just compensation, so that they must endure some of the consequences of the war and incur some of the perils and the hazards of the greatest disaster that ever fell upon mankind, they would accept it as loyal citizens, convinced that a lesser compensation than the bill proposes is, under the circumstances, fair and just. But whether they would or no affects me not at all. I desire to offer to them and pay to them a compensation that will be the full measure of the Constitution, the full measure of equity and justice and fairness as between the people who are to pay the money and the people who are to receive it; and when such an offer is made I believe that the railway companies will accept it. But they will take, of course, all they can get. That is one of the attributes of human nature, and we must not expect any other attitude on their part.

Recurring to the suggestion that this is but an authority to the President not to exceed a compensation ascertained in the manner described in section 1 of the bill, I desire to show, if I can, what the President's view is about it. I have no disposition whatever to conceal the authorship of this part of the bill. As reluctant as I am to differ from the President in this respect, my duty compels me to differ and I desire that Senators shall know that the President has become convinced that this is the proper standard of compensation. In his proclamation through which he assumed the possession and control of the properties he said—this is dated December 26, 1917—

The director shall, as soon as may be after assuming such possession and control, enter upon negotiations with the several companies looking to agreements for just and reasonable compensation for the possession, use, and control of their respective properties on the basis of an annual guaranteed compensation above accruing depreciation and the maintenance of their properties, equivalent, as nearly as may be, to the average of the net operating income thereof for the three-year period ending June 30, 1917; the results of such negotiations to be reported to me for such action as may be appropriate and lawful.

In the statement of the President which accompanied the proclamation he said:

Immediately upon the reassembling of Congress I shall recommend that these definite guarantees be given: First, of course, that the railway properties will be maintained during the period of Federal control in as good repair and as good equipment as when taken over by the Government; and, second, that the roads shall receive a net operating income equal in each case to the average net income of the three years preceding June 30, 1917.

In his message to Congress which followed shortly thereafter the President repeated this view and explicitly recommended that he be given authority to agree with the several railway companies so that each of them will receive an income ascertained according to the standard described both in the proclamation and the statement.

With this history of the development of the matter there can be no question with regard to the views of the President respecting compensation, and I assume that if the authority here expressed be granted he or the Director General will enter into agreements with these railway companies guaranteeing to them the net income which I have described. It is utterly impossible for him to differentiate between the railroad companies. It would take as long for the President to ascertain what is just compensation for each of these properties as it will require the Interstate Commerce Commission to do the like thing. We all know that when this bill is passed, if it is passed in its present form, there will be a general offer to the railway companies of an agreement to pay the sums of money ascertained in the manner set forth in the first section of the bill, and some of the railway companies will accept the offer, and that will constitute the agreement between them and the Government.

Mr. President, it is not agreeable or pleasant for me to differ from the President in this or any other matter. I understand the weight of the burden which he is bearing. I can appreciate the responsibilities which now rest upon him, and the Lord knows that I have no other purpose in my heart than to be of the utmost assistance to him in the cruelest hour through which mortal man ever lived. But it seems to me that I can best help him to bear his responsibilities by bearing my own.

This is not an Executive function. This is a legislative question originally, and the man who blindly follows the recommendation of the President, granting to him all the deference that we can pay and ought to pay to our leader in this great conflict, and repudiates his own sense of justice upon a question which is not for the President to decide but for us to determine, is not only false to his duty to the people of this country, but he is shrinking from a responsibility that his oath imposes upon him.

Whenever the President in a matter which pertains to the military movements and the military preparation of the United States in order to successfully carry on the war puts his judgment before me I shall follow it, unless I am so clearly convinced of its unsoundness as to make it impossible to accept it. It is not only my desire, but it is my highest pleasure to do so. But with regard to the compensation which shall be paid for these properties, of which he is already in possession and which he is already operating, and of which he will continue to hold possession and continue to operate, my judgment can not be influenced by his. The compensation has no reference to the prosecution of the war. Whether we give the railway companies a billion dollars in round numbers, which is here proposed, annually for the use of their property, or whether we give them \$750,000,000 or \$800,000,000 annually, as I propose, can not in the slightest degree affect the strength of the United States in the war.

If I believed that the President knew more about the subject than the Members of the Senate know I might feel differently. But here are Senators who have given a score of years or more to the study of these economic problems, and it is no reflection upon the President or upon the Director General to declare that the Senate knows more about adequate compensation for the use of the railroad properties of this country than either of them can know. There is no disloyalty to the President in considering this subject from an independent standpoint, and I, at least, must so view it.

The Senator from South Carolina [Mr. SMITH] in opening this discussion indicated that those of us who felt that the compensation proposed in the bill was excessive were endeavoring to introduce some new or untried theory in public affairs. Mr. President, I can not so look upon it. The only new, untried

thing is the standard of compensation proposed in the bill. Never before in the history of economics has a suggestion of that kind been made with regard to public utility property. I modify that statement because that is the basis upon which Great Britain is operating and rewarding her railroad properties.

I might just as well turn for a moment to Great Britain, although I shall deal with it more in detail later, in order that we may know what Great Britain did and what her action accomplished for her railway property. The day after the war Great Britain took over the possession of her railroad property. There was no agreement made at that time between the Government of Great Britain and the railroads of Great Britain. No one suggested making any agreement between the public and these railway companies.

Mr. THOMAS and Mr. WATSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield, and if so to whom?

Mr. CUMMINS. I yield first to the Senator from Colorado.

Mr. THOMAS. I wish to inquire whether the action of Great Britain was not based upon a preexisting statute?

Mr. CUMMINS. It was based upon the statute of 1871. I now yield to the Senator from Indiana.

Mr. WATSON. I wish to ask the Senator from Iowa if his statement does not cover the time previous to the taking over, and if shortly after the taking over they did not arrive at an agreement as a basis of compensation?

Mr. CUMMINS. No; as I understand the record made there, and as it was introduced before our committee, the consent of the railway companies of Great Britain with regard to compensation was not asked. The act of 1871 under which the Government took possession of the railroads in 1914 was not substantially different from our act of 1916, and made no provision for compensation other than the general statement that when the power exercised under it did take place the compensation was to be made. When on the 4th day of August, I believe, 1914, the council in Great Britain determined it was necessary to take over the railroads and they were taken over, the operating body, the directors appointed by the law, and who were in existence at the time they were taken over, simply published a statement that for the week following—and I want to mark that because it is one of the things that we will presently have to consider in this bill—for one week the Government would take over the railroads of the country and would pay or guarantee the net income for 1913; that is, guarantee the net income that was earned in 1913 with some modifications that were to be made by a consideration of the earnings for the first six or seven months of 1914.

Mr. KELLOGG. Mr. President—

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I would like to ask the Senator from Iowa if the reason of that was not because under the law they could not be taken over except for one week at a time?

Mr. CUMMINS. I am not complaining because our Government did not take them over for one week at a time.

Mr. KELLOGG. I understood the Senator's statement was that the Government of Great Britain only made the guarantee from week to week.

Mr. CUMMINS. That is all.

Mr. KELLOGG. It was because they could not take the railroads over except from week to week.

Mr. CUMMINS. Precisely, and we would be a great deal better off if we could only guarantee an income for one week, because then we would be at liberty to pay the compensation from time to time in accordance with changed conditions. But we propose to authorize the President to enter into an agreement that may extend for 10 years.

Mr. POMERENE. Mr. President—

Mr. CUMMINS. I yield to the Senator from Ohio.

Mr. POMERENE. The Senator has just made a statement that in his judgment it would be better to have taken over these roads from week to week.

Mr. CUMMINS. No, I did not intend to say that if I did say it.

Mr. POMERENE. I certainly understood the Senator to say it would be much better to take them over from week to week. If the Senator did not make such a statement—

Mr. CUMMINS. What I said, or meant, was that it would be better if the compensation was determined from week to week.

Mr. POMERENE. What is the difference?

Mr. CUMMINS. There is a great difference.

Mr. POMERENE. There would be 52 times as many controversies to settle as there would be by determining it in advance.

Mr. CUMMINS. That might be a great advantage. If the first agreement pays \$200,000,000 more than ought to be paid it would be quite advantageous to make another.

Mr. POMERENE. That is an assumption without a statement of fact, in my judgment.

Mr. CUMMINS. I can not answer for the judgment of the Senator from Ohio. It is my judgment that it does.

Mr. POMERENE. I realize that. The Senator now makes a statement that it is \$200,000,000 too high. In his statement submitted here it is stated that it is \$175,000,000 too high. I do not refer to this in a critical way, but I do mean to infer from the statement I have made that it is physically impossible for any Senator, or anybody, on the information we have now, to determine to a farthing what would be fair compensation.

Mr. CUMMINS. The Senator from Ohio, I think, is not quite fair in that statement. I agree that it is a matter of judgment within fair limits respecting compensation, but if I were to propose that the railroads of the country should be paid only \$100,000,000 a year I think no one would question that the compensation would be inadequate. If the Senator from Ohio would propose that the compensation should be \$2,000,000,000 per year I think most people would assert that it is excessive. So we can reach limits beyond which, or under which, the common judgment of mankind repudiates the proposal.

Mr. POMERENE. Even though I think that the Senator from Iowa is extreme in his view—and he perhaps will think I am after I shall have made my statement—I am quite sure that he would never suggest making the compensation \$100,000,000; neither would I make the compensation \$2,000,000,000.

Mr. CUMMINS. And what the Senator from Ohio has just said is the very pith of this whole argument. I think it is plain that the compensation of \$965,000,000 in the aggregate is obviously shocking and excessive. I believe that nine men out of ten will so believe. When I say in my minority report that the compensation is \$175,000,000 more than it should be, I recognize that there may be a variation of five or eight or ten or twenty million dollars among men who look at the subject from the standpoint that I occupy. The compensation can not be reduced to an absolute mathematical accuracy, especially with the information which we now have.

But I proceed with Great Britain, because great strength is given to this bill by the assertion continually made that we are simply following the practice of Great Britain, and that we are not doing any more for our railway companies in this bill than Great Britain did for hers in the act of the council to which I have referred. I repeat that Great Britain is not bound for more than one week at a time by the standard of compensation which she has created; she is at liberty to revise, modify, or amend it whenever she pleases. But that is not the principal thought in my mind.

Mr. WATSON. Mr. President, just a moment, if it will not interrupt the Senator.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. CUMMINS. I do.

Mr. WATSON. Is it not a fact that there was an agreement between the Government of Great Britain and the railroads that were taken over that they were to receive a standard return, equivalent to their average annual return of 1913, less a certain bonus paid to labor?

Mr. CUMMINS. I do not remember that there was any agreement. There was a general assent to and acceptance of the order of the British Government, and there was an agreement subsequently with regard to certain bonuses that grew out of an advance in the wages of the men employed. The increased wages were assumed by the Government in lieu of the elimination of the modifications in the original order concerning the net earnings for the first seven months of the year 1914; but the efficacy—the binding effect—of the order of Great Britain, so far as compensation is concerned, does not depend upon the assent of the railroads of Great Britain.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, I should like to call attention to a fact, and perhaps he can correct me if I am wrong. My impression is that the act of 1871, as subsequently modified by the act of 1888 and some other modifications of that act, made certain railroad officials a part of the military organization. The relation was such that they had certain titles or rank in regard to the service that they might assume in time of war, so that when war did occur the railroads, under the act looking toward the functions to be discharged by them, almost automatically went under Government operation without the legislation which we have necessarily to pass.

As was mentioned by the Senator from Minnesota (Mr. KELLOGG), they took the year 1913, and it was so stated in the report furnished our committee, as being the more prosperous, because 1914 up to the time when the war broke out, had shown a deficit in railroad earnings by virtue of the war. They took 1913 as the basis; they took the first six months, with the modification that the first six months of one year and the first six months of the other year should ultimately be the standard. They found that the first six months of 1914 showed a deficit, and that was abandoned. They then took the flat standard of 1913. Later on the Government assumed all the extra charge that came from the increase of the pay of the railroad employees; they took it off the railroads, and did not charge them with any of the extra pay which they granted to the employees, but still gave the roads their standard return of 1913.

Mr. CUMMINS. Mr. President, the statement of the Senator from South Carolina is substantially correct, although I do not understand that the assumption on the part of the Government of the bonus given to the railway men had quite the basis which is stated by the Senator. The one was set off against the other. However that may be, it is not material to what I am attempting to put before the Senate.

Without any agreement on the part of the railroad companies—because, as stated by the Senator from South Carolina, under the act of 1871 as followed by that of 1888, an act of subsequent years—there was created what was known as a railway executive committee. It was composed of the general managers of the principal railways of Great Britain. It was headed by the president of the Board of Trade, a Government body exercising a Government function. The very moment that the council issued the order for the possession of the property, the Board of Trade and the railway executive committee had possession, not of a part, but of all the railways of the kingdom, with the exception of Ireland, and proceeded to operate those properties as employees of the Government and not of their respective corporations. They were all, and are all, officers in the army of Great Britain, holding appropriate rank and being directly and properly responsible to the Government for every act which they perform. The Government fixed the compensation that should be paid to those railways as the net earnings of 1913; that is, the Government guaranteed the net earnings of that year. Why? Because it believed that the net earnings of that year fairly represented the value of the use of the property; not because the net earnings of any public utility property furnishes a standard for the value of that property, but because the amount which the Government would guarantee under that standard was believed by the officers of Great Britain to be fair and just compensation for the property so taken over.

What did it do for the owners of the railway properties of Great Britain? That is the point universally ignored in citing the action of Great Britain as a precedent for the standard announced in this bill. What did this guarantee do for the bondholders and the stockholders of the British railroads? The argument has been conspicuously silent with regard to that subject up to this time; but let me now suggest that the guarantee given or announced by Great Britain for the English railways paid the interest upon the bonds of those railways and less than 3½ per cent upon the stock of the railway companies. Great Britain is now paying, on an average, 4 per cent upon the railway bonds and 3½ per cent upon the railway stock.

Mr. President, if it had been proposed to do that for the railways of the United States, my voice at least would not have been lifted up in protest against the bill. I am willing to pay those railroads of the United States which my amendment covers 25 per cent more, or 40 per cent more, upon their stock than the British Government has guaranteed to pay or now pays upon the British railways' stock. How idle it is to hold up Great Britain as the example which we ought to follow at this moment and to conceal the fact that Great Britain is paying her railway stockholders less than one-third what it is proposed by this bill to pay to American railway stockholders.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield to the Senator from Utah.

Mr. KING. If it is not in the order that the Senator intends to discuss the matter, I hope he will say so, and pretermit the answer that I should like until he reaches the particular point in his argument; but the point I had in mind was this: We have in this country, in the State constitutions and in the National Constitution, a provision that private property may not be taken for public use except just compensation shall

be made. The Government, it seems to me, may not take my house or the Senator's store or any property that he has, personal or real, for war purposes or for any governmental purpose without paying just compensation. In ascertaining what would be just compensation, the courts have laid down very precise rules, and the value of the use may be very readily determined. Does the Senator differentiate between the public utilities corporation and private property? If the Government, as I have said, takes the Senator's store or property for war purposes it makes compensation for it, and that compensation is determined by the value of the use. If the Government only takes it temporarily and uses it, it pays the value of that use as just compensation. If the Government takes a railroad in which the Senator is interested, takes the use of it during the period of the war, is a different rule to be applied in determining the value there than would be applied in determining the value of the use of the property owned by private individuals? If not, then does it not come down to the proposition that the Senator is arguing, that, if the Government takes the use of public utilities property, a different standard is to apply in the courts in determining the value than if the Government takes the property of private individuals or the use of it during the period of the war?

Mr. CUMMINS. Undoubtedly, as is recognized by all the courts, I think. The Constitution applies to public utility property just as fully and completely as it does to private property. We can no more deprive a railway company of the use of its property without making just compensation for it, than we can deprive the owner of purely private property of its use without making just compensation for it, but when we come to determine what just compensation is for the use of public property—public in the sense that it is devoted to a public use—a very different rule applies than is invoked for the determination of the same question with regard to private property.

I did not intend to deal with this question at this time, but I am quite willing to divert myself a moment to answer it. When one invests his money in a public enterprise, such as the creation of a public highway for the purpose of furnishing to the people of the country transportation facilities, he agrees that he will exact no more for the service rendered than a fair return upon his investment—some people say upon the value of the property which he creates—but, if the principle is carried out to its end, the two statements are the equivalent of each other. He agrees that he will not make a fortune out of the use of the property; that he will be content with a fair and reasonable return. When one invests money in a purely private enterprise, he makes no such agreement; he is at liberty to make all the profit which he can make without any restriction whatsoever; and in estimating the value of the use of his property, or in estimating the value of the property itself, if it be taken, then the court must take into account his privilege of making unlimited profit out of the property if the property is adapted to the acquisition of such profit. It is not so with public property, and the sooner we reach a sound conclusion on that very vital and important inquiry, the sooner we will be able fully to appreciate our duty respecting this bill.

Mr. WOLCOTT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Delaware?

Mr. CUMMINS. I yield.

Mr. WOLCOTT. Can the Senator inform the Senate how the yield to the British railways, under the Government guarantee of 3½ and 4 per cent as I understood the Senator to say, compares with the yield to the same stockholders for the year prior, say to the assumption of control by the Government?

Mr. CUMMINS. My recollection is that the year 1913 was a comparatively good year for the British railways, and that the guarantee of the net earnings for that year gives to the stockholders of the British railways all that they were getting before, and possibly more.

Mr. WOLCOTT. The point I should like to have enlightenment upon, if the Senator can give me light upon it, is as to whether the British Government gave to the railways a guarantee such as to reduce to the security holders their yield from their securities, or did the British Government see to it by the guarantee that they should get the same return they had been receiving during the prior year?

Mr. THOMAS. Does the Senator mean the securities or stocks?

Mr. WOLCOTT. Stocks.

Mr. CUMMINS. I have said that the Government would pay, or supply if there was a deficiency, the net earnings of the railways as shown in their operations for the year 1913.

Mr. WOLCOTT. By which the stockholder would get the same yield that he had been getting. Now, if that be true, would not this be the parallel in this country—that our Government should give a guarantee to the railroads of a sum sufficient to enable the railroads in this country to pay to their stockholders the same amount of return they had been receiving during prior years?

Mr. CUMMINS. I do not think it would be parallel, because the returns in this country might be excessive; they were not excessive in Great Britain; but, so far as I am personally concerned, I am very, very willing that the Government shall guarantee the interest upon all the bonds and guarantee all the dividends that have been customarily paid in the past. That, however, is not the question in issue; the question is, whether the Government shall guarantee the interest upon all their bonds and nearly twice the dividends that have heretofore been paid?

Now, I do not want there to be any misunderstanding upon that point. The railroads in Great Britain have followed what I regard as the honest and just course in railway operation, namely, they do not collect from the people who employ their service more than is necessary to pay interest upon their bonds and dividends upon their stock, and a very small dividend, too, and some of them do not get that much. Our railroads charge the people of this country enough to pay interest upon their bonds, dividends upon their stock, and enough to build their railroads besides. That is the difference between the English custom or practice and the American custom.

During the year 1913 the net earnings of the English railways did not result in an excess or surplus after paying interest and dividends of more than, if I remember it, one-tenth of 1 per cent. It would delight me if the Senate would accept with regard to surplus the outcome of the English plan. I have offered, and will presently explain, an amendment which affects 86 roads in the United States, embracing a little more than half the railway mileage, roads which move about 75 or 80 per cent of the traffic, which will reduce the guarantee proposed in the bill, as nearly as can be estimated, \$183,000,000 per year, and yet pay all the interest upon all the bonds issued by these companies and pay, as well, their habitual customary dividends upon the stock, varying from 5 per cent to 10 per cent.

I do not want any one to get the impression that I desire to reduce this compensation with regard to dividend-paying roads below the point that will enable them to maintain their securities in full and complete strength and give them a standing in the markets of the country that will command the utmost confidence. I am complaining about the surplus which we are guaranteeing for the railroads in the United States. Great Britain did not guarantee any surplus; the English railroads have never collected any surplus, and, in my judgment, railroads ought not to collect a surplus from their rates for transportation, except a surplus that will tide them over a lean year now and then.

Mr. WOLCOTT. Mr. President, will the Senator allow me to interrupt him further?

Mr. CUMMINS. I yield.

Mr. WOLCOTT. I am trying to get at the basis of the Senator's reasoning. I understand that he is perfectly willing to allow the railroads enough of a yield to pay the interest on their fixed securities—bonds—and a dividend equivalent—

Mr. CUMMINS. Equivalent to the dividend that they have been regularly paying.

Mr. WOLCOTT. A dividend equivalent to that which they have been regularly paying in the past. Now, does the Senator think it is a legitimate item to allow the railroads a sort of surplus account to take care of depreciation?

Mr. CUMMINS. Mr. President, the Senator from Delaware must be aware that depreciation is taken care of before net income is reached at all.

Mr. WOLCOTT. That is by the Government, the Senator means?

Mr. CUMMINS. No, by the railroads. The railroads charge off, and have the right to charge off, every year a certain depreciation of their property, and for many years they have done it under rules that have been promulgated by the Interstate Commerce Commission. This depreciation becomes a part of the expense of operation and maintenance, and is taken care of before they reach net income. Of course, the Government will take care of depreciation. This bill provides that the Government must return these properties to the railroad companies in as good condition as they were when taken, and the Government must maintain them, and must charge off annually a suitable and adequate sum for depreciation.

Mr. WOLCOTT. I understand that. I am not at all familiar with the allowances made to the roads by the Interstate Commerce Commission. Do I understand from the Senator that the Interstate Commerce Commission in the accounts filed with the commission allows the railroads credit for current depreciation? Has that been the practice?

Mr. CUMMINS. Certainly. The railroads are not at all agreed about the amount; and the Interstate Commerce Commission does not prescribe a fixed rule as to the percentages, but each railroad not only has the right to charge off the current depreciation of its property, but it is its duty to do so, a duty that is enforced upon them by the Interstate Commerce Commission. The charges for depreciation in the accounts vary from 1 per cent to 6 per cent each year. But, however that may be, the depreciation is fully protected in the operating expenses of the railroads, as I shall presently show.

At this time I am only concerned in leaving the proper impression with regard to the British treatment of railways. There is a great system—small compared with ours, of course, but doing an immense business—I think comprising more than 20,000 miles of single track, with a far greater percentage of double track, triple track, and quadruple track than we have in our country; a great system, serving one of the most energetic and successful countries in the world. When Great Britain takes that system, it simply says: "We will guarantee you enough to pay you the interest upon your bonds," which is about one-half per cent less in Europe than the average interest upon American railway bonds, "and enough to pay an average of 3½ per cent upon the stocks that are outstanding." That is all that Great Britain has done in awarding just compensation for the use of that vast property.

Great Britain was conscious that all the people of that country must bear the burdens of the war in which she was engaged; and I am only endeavoring to fasten upon the minds of the Senate and the country the idea that when our Government takes possession of our railroads, in the midst of a world-destroying war, of the outcome of which no human being can be certain, we remove from this property all the peril, all the hazard of the war; we lift it up out of the chaos and the confusion and the fluctuations of all other business; we say to these companies: "No matter what may happen to other properties in the United States, no matter how values may decline, no matter how profits may disappear, no matter what sacrifice must be made in order to maintain the Union, we will see that you shall receive each year a certain income upon the value of your property."

The Government of this country has already asked the people to loan to it, I think, five billions of dollars; and between now and the 30th of June, as we were told, it is likely that it will ask our people to loan it the further incomprehensible sum of ten billions of dollars. It asks them to give, from what they have, these incalculable amounts and to receive from it a promise that at the end of the period named in the bond they will accept the principal, and in the meantime will accept 4 per cent per annum; and the people loyally and gladly are coming to the rescue of the Government and are furnishing it credit in a way unknown to any other period of the nation, and all they ask is 4 per cent. Yet in the midst of this loyal scene, in which the people of America are striving with each other in order to exhibit their loyalty and their desire to help in the time of stress and strain, in comes this bill, which declares that with a Government guarantee which makes the payment of the sum guaranteed as certain as the continuance of the Government itself, in the face of all these circumstances and perils and dangers, these same men who are staggering under the burden of loaning their Government money at 4 per cent shall guarantee to the stockholders of the railways of the United States from 10 to 20 per cent upon the par value of their securities. It is a monstrous proposal.

Mr. SMITH of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. I do.

Mr. SMITH of South Carolina. If the Senator will allow me, I think in all fairness he ought to call attention to the fact that the Government took over these roads. They did not come in of their own volition. They would have had to bear the vicissitudes of the changing war conditions, and were bearing them until the Government, of its own volition, took them. The Government is now just proposing to give them what was the result of the vicissitudes up to the time that it took them.

The railroads, as I say, did not come in of their own volition. We took them over, and under the due process of law the committee attempted to find out what they had been earning under the very vicissitudes that the Senator remarks upon.

The Government might take over a horse that belonged to me that was worth, say, \$200. It can not foretell what that horse may be worth to-morrow. It may die, but the Government must pay me according to the value of it at the time the Government took control. The record from the Interstate Commerce Commission shows that what we are allowing the railroads out of their earnings is what they were earning when we took them, not when they volunteered to come and asked us to take them, and demanded this as a recompense.

Mr. TOWNSEND. Mr. President—

Mr. CUMMINS. I desire to say a word in response to the Senator from South Carolina [Mr. SMITH].

Mr. TOWNSEND. I was just going to suggest that I take it the Senator from Iowa is not going to finish his speech to-night, and as he has been talking a long while, and evidently is somewhat weary, we might take an adjournment now. It is approaching the hour of 5.

[At this point Mr. CUMMINS yielded the floor for the day.]

Saturday, February 16, 1918.

Mr. CUMMINS. Mr. President, so much time has elapsed since I suspended my argument upon the measure under consideration that I may be permitted to restate very briefly the subject under discussion. I am considering the first section of the bill reported by the Interstate Commerce Committee. It gives to the President the authority to enter into agreements with the various railway companies of the country for the compensation which they are to receive during Federal control for the use of their properties. The compensation mentioned in the section, and which the President is authorized to agree to pay, is the average net operating income of these companies during the three years ending June 30, 1917.

I had mentioned the fact that the President had reached the conclusion, evidently long before this legislation came before Congress, that the standard which I have mentioned, and which is found in the section, is the proper standard of compensation. He so declared in the proclamation under which the Government assumed possession and control of the properties; he reiterated it in the statement which accompanied the proclamation; and he again expressed it in his message to Congress immediately after the holiday recess. We have a right, therefore, to assume that, if the authority specified in section 1 is conferred upon the President, he will enter into agreements with these companies upon the basis I have suggested. Moreover, the Director General in his appearance before the committee argued at very considerable length for the standard that is here set up. I am not suggesting this in a critical way; I am mentioning it only to make it absolutely sure that, if we do give the President the authority to enter into these contracts of the character which section 1 prescribes, he will exercise the authority, for his conclusion upon that subject is now fixed and, I believe, unalterable.

I think the compensation recommended by the President—and I say it with all the deference in the world to him—is excessive. I think it introduces into governmental railway operation the same abominable profiteering which disfigures other fields of governmental activity. There is one thing that the people of this country will not endure. Loyal, as they are, enthusiastic, as they are, determined, as they are, to carry on the war to a successful end, they will not tolerate the general practice of creating fortunes out of the war. There is such universal indignation against the practice that I need but mention it in order to command the assent of every Senator and every citizen of the Republic. If we want a united, determined, aggressive citizenship, we must take care that the burdens of the war are fairly and equitably distributed and that those who have the power to profiteer shall not be given the opportunity to satisfy their cupidity and their avarice. I want Senators to remember that it is just as important to secure the cooperation of the great body of the people, as it is to strengthen and fortify the railway securities. I think I do not disparage or depreciate or diminish the value or importance of the latter, but the former must be borne in mind in the consideration of every question which distributes money, collected from the people, among those who may render service to the Government.

Do not imagine that I have any prejudice against the railway companies. I am a law-abiding man; I believe in order and regularity. I am still clinging to the Constitution amidst the waves of war. I have not yet given up that ark of safety for the American Republic. It would have commanded my instant assent if this bill had provided that the value of the use of the various railroad properties of which the Government takes possession should be ascertained by an impartial tribunal, preferably the Interstate Commerce Commission, which has at its

command, and has now in its records, a very large part of the information necessary speedily to arrive at a just result. I would have been glad if from the judgment of the Interstate Commerce Commission, or any other impartial tribunal, there could have been a proper appeal to the courts, in order that the judiciary of the land might utter the last word upon this vital subject; and with the judgment so determined I would have been absolutely content. I would have been glad also if in the meanwhile the President could have been given the power to advance to the railway companies whatever may become necessary to enable them to properly protect their securities; and finally, whatever balance there may be, whether in favor of the Government or in favor of the railways, could be fairly adjusted. This would have been a just, orderly way in which to have ascertained the value of these properties and to have secured a judgment with regard to the value of the use of these properties.

Every citizen of the land would have been content if that proceeding had been adopted. We have just that proceeding here, but we have it accompanied with an authority to the President to enter into agreements with these companies, agreements which shall take the place of and be a substitute for the proceedings which arrive in a legal way at the result we are seeking; and I want you to bear in mind all the time that it is only with respect to the authority that we are proposing to give to the President that I have any question. I assert that the standard that we are erecting here for him furnishes to these companies, or some of them, an excessive compensation, and that if we make contracts of this character we will be subject to all the criticism that is now poured out upon the profiteering which has been so prevalent in many activities of the Government.

Mr. KENYON. Mr. President, may I ask my colleague a question?

Mr. CUMMINS. I yield.

Mr. KENYON. I am asking purely for information, because I believe my colleague probably knows more about this subject than any other man in Congress.

This standard that we give to the President leaves it with the President, as I understand, to determine whether or not he shall do this, whether or not he shall come to this standard; or, if he can come to an agreement with the railroads to pay less, he then can do it; can he not?

Mr. CUMMINS. He has the power to do it, the legal authority to do it; but he has stated that this is the compensation which he thinks ought to be given to these companies.

Mr. KENYON. That is, in his address to Congress? Is that the statement of the Senator?

Mr. CUMMINS. In the proclamation, in the statement which accompanied it, in the message which he delivered to Congress after the holidays, and through the Director General in his testimony before the committee.

Mr. KENYON. That is the question that has been troubling me—whether we are authorized to assume that the President will grant this compensation which the Senator thinks is excessive; and I agree with him in that. The President, of course, may change his mind.

Mr. CUMMINS. At least it would be safer not to invest him with the authority, if we are clearly of the opinion that it does provide for an excessive compensation. At least, so I view it.

Mr. KENYON. And yet, if the President should become convinced that the compensation was excessive, he could of course change his mind and not reach the high standard which the bill allows him to reach.

Mr. CUMMINS. He has the abstract authority to reduce the compensation.

Mr. KELLOGG. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I do.

Mr. KELLOGG. I should like to say to the Senator, if he will permit me to interrupt him, that while the President did recommend in his message and the Director General testified that he thought this the proper standard, it was all in the light of its being a maximum; and I am informed by the men who will execute it, who appeared before the committee, that it is simply a maximum, and that the President expects, with his advisors, to treat it as such, and, in cases where the maximum would be too much, not to grant it.

Mr. CUMMINS. Mr. President, I am not in the confidence of the advisors of the President or the Director General. I do not know what they intend to do; but so far as I am concerned I do not intend to give the President the power to do wrong if I can prevent it. I do not intend to give the Director General

the authority to pay more than ought to be paid if my vote and my voice can prevent the granting of that authority. I can not understand how any Senator can satisfy his conscience, if he believes the standard is wrong and ought to be reduced, by conferring the authority upon the President in the hope that he will not exercise the power that is given to him.

As I said in the very beginning, I have no desire to interfere with the responsibilities of the President. He must bear them. They are heavy, onerous, and he has my sympathy every moment of the day, and will have my assistance upon every occasion. But I can help him best by bearing my own responsibilities, and so can you; and if you believe that this standard is excessive, then it is your duty to limit his authority within the fair bounds of reasonableness.

Let another thing be understood: The amendment which I shall offer to the first section, and which I am really discussing as I move forward with the proposition itself, is applicable to 140,000 miles of single-track railway. It is applicable to a little more than one-half of the railway mileage of the country; but within that one-half are the great monopolistic systems which have in the past oppressed, through excessive rates, the people of the country, and have accumulated more than under any fair adjustment of rates they should be permitted to accumulate. There are 110,000 miles of the 250,000 miles in the country to which my amendment does not apply at all, and I pause here to say that in my judgment the standard of the bill not only does not give to those railroads an excessive compensation, but I believe that in some cases it will give them less than just compensation.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield.

Mr. NORRIS. My understanding—and I should like to have the Senator correct me if I am wrong—is that in those cases of which the Senator is speaking now, where the President believes that the basis of payment would not bring a sufficient return, he has power to increase it; has he not?

Mr. CUMMINS. The two classes are not entirely the same. That is, the paragraph to which the Senator refers says that as to any nondividend-paying carriers he may do whatever he pleases; but there are some roads that pay small dividends, and that would be included within the 110,000 miles which I mentioned a moment ago that would not be included within the paragraph which the Senator has before him.

Mr. NORRIS. Does the Senator include in those 110,000 miles the nondividend-paying carriers?

Mr. CUMMINS. All of them.

Mr. NORRIS. All of them?

Mr. CUMMINS. They are all included.

Mr. NORRIS. As to those, at least, the President has authority to make an agreement that would give them a reasonable and fair rate?

Mr. CUMMINS. He has.

Mr. NORRIS. Under the bill as it stands now, if they did not get any dividends in those three years, he can pay them what he thinks is a fair return?

Mr. CUMMINS. They are not exactly the same. I pick out of all the mileage of the country those roads and those systems whose net income, as compared with stock capitalization, is more than 5 per cent, and apply the standard of my amendment to them and no others; so that the amendment which I will propose, if adopted, will not change the bill in any respect in so far as concerns the 110,000 miles of railway which represent in a broad way the weaker and the poorer lines.

With that statement, I now ask the attention of the Senate to the proof which I said in the beginning I would produce. But before I do that, Mr. President, I desire to print as part of my remarks and at the proper place a table concerning the net earnings of the English railways which was introduced before the committee, and about which I spoke day before yesterday when I was discussing this question. It is found on Part V of the hearings, on page 965. It shows, with regard to nearly all the British railways, the net earnings for the year 1913. In other words, it shows the return which Great Britain has guaranteed to her railways; and I only repeat that her guarantee is substantially 4 per cent upon the bonded indebtedness of the railways, and 3½ per cent upon the stock of the railways. That is the standard which Great Britain thought it was fair to use in the compensation of her railways; and I say again that I am not only willing to go as far as Great Britain did in compensation, but I am willing to double the amount awarded by Great Britain to the shareholders.

There being no objection, the table above referred to was ordered to be printed in the Record, as follows:

Railways in United Kingdom whose gross receipts for the year 1913 exceeded £1,000,000.

[Authority: Railway returns of the United Kingdom for the year 1913.]

Name of road.	Gross receipts.	Ordinary stock.	Preferential stock.	Guaranteed stock.	Total stock.	Dividends on ordinary stock.	Dividends on preferential and guaranteed stock.	Total dividends.	Rate of dividend (per cent).	Net income.	Fixed charges. ¹	Net income less fixed charges.	Rate of return (per cent).
Great Central.....	£5,929,558	£10,658,020	£17,185,428	£3,382,061	£31,225,509	.....	£866,076	£866,076	2.77	£2,218,221	£1,352,885	£865,336	2.77
Great Eastern.....	6,015,142	15,362,886	14,731,708	6,094,627	36,189,221	.....	825,228	1,209,300	3.34	2,177,330	950,385	1,226,945	3.33
Great Northern.....	6,742,119	22,451,250	19,759,520	3,435,740	45,649,510	.....	788,835	1,699,748	3.72	2,463,016	700,189	1,762,827	3.83
Great Western.....	15,431,412	36,695,210	11,999,348	25,555,191	74,185,749	.....	2,284,451	1,874,577	5.61	5,924,034	1,574,657	4,349,377	5.87
Lancashire & Yorkshire.....	6,595,157	18,821,470	29,104,819	2,595,012	50,522,298	.....	848,966	1,019,267	3.69	2,602,111	713,811	1,888,300	2.74
London & North Western.....	16,326,621	42,890,935	27,873,631	15,100,406	85,964,132	.....	3,002,305	1,718,062	5.50	6,331,595	1,512,792	4,818,803	5.62
London & South Western.....	5,414,019	22,189,814	18,700,226	797,980	41,688,022	.....	851,193	738,526	3.81	2,190,502	595,021	1,595,481	3.81
London, Brighton & South Coast.....	3,594,118	10,447,085	10,121,672	1,955,860	22,524,617	.....	548,472	603,876	5.12	1,531,911	378,445	1,153,466	5.11
Midland.....	15,123,156	78,135,397	63,988,974	18,089,560	160,273,931	.....	2,635,194	2,099,951	2.94	6,382,738	1,434,787	4,947,951	3.07
North Eastern.....	11,315,139	32,038,605	16,273,797	8,503,235	56,813,697	.....	2,242,142	991,040	5.69	4,454,968	914,839	3,540,129	6.21
North Staffordshire.....	1,053,978	3,594,650	3,317,483	1,170,000	8,082,133	.....	179,732	158,024	4.18	441,288	85,071	356,217	4.23
South Eastern & Chatham Railway Companies managing committee.....	4,890,598	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
London, Chatham & Dover.....	.....	11,259,282	7,878,832	122,313	19,260,427	.....	331,107	331,107	1.72	816,193	483,233	332,960	1.71
South Eastern.....	.....	10,049,230	12,285,385	1,784,309	24,119,915	.....	533,940	935,909	3.88	1,416,960	483,537	933,423	3.87
Total England and Wales.....	98,381,981	314,653,994	253,158,820	88,587,345	655,403,159	14,165,341	12,641,490	26,807,831	4.08	38,937,867	11,189,702	27,748,165	4.21
Caledonian.....	5,129,155	35,599,253	14,523,437	9,288,154	59,333,847	.....	648,311	908,181	2.72	2,334,041	707,851	1,626,190	2.74
Glasgow & South Western.....	2,012,737	12,651,790	5,491,091	2,260,450	20,403,331	.....	314,052	301,932	3.02	825,558	229,939	595,619	2.91
North British.....	5,254,607	21,579,157	27,575,987	49,155,144	100,365,338	.....	437,361	1,078,830	3.08	2,427,282	557,723	1,869,559	3.19
Great Northern of Ireland.....	1,191,283	4,049,989	1,749,035	880,270	6,668,264	.....	242,997	104,730	5.21	457,631	105,788	351,843	5.23
Great Southern & Western.....	1,630,763	5,479,803	1,693,765	78,943,184	10,072,749	.....	266,273	184,193	4.47	716,918	215,362	501,556	4.94
Total United Kingdom.....	113,600,532	393,983,986	304,193,105	103,881,403	802,063,494	15,073,331	15,279,391	31,352,729	4.91	45,093,407	13,303,397	32,790,010	4.01
Per cent of gross receipts of all railways in United Kingdom.....	86.60	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

¹ Includes interest on loans, debenture stock, and miscellaneous fixed charges.

Gross receipts of all railways as follows: England and Wales, £109,935,244; Scotland, £13,612,742; Ireland, £4,923,117; total, £128,471,111.

Mr. NORRIS. Mr. President—

Mr. CUMMINS. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator, in referring to the bonded indebtedness of the British railroads, says that the British Government has guaranteed practically 4 per cent. Does he mean that they have fixed in the guaranty a definite per cent—

Mr. CUMMINS. Oh, no.

Mr. NORRIS. Or does he mean that they are paying whatever interest those bonds bear, and that that amounts to practically 4 per cent?

Mr. CUMMINS. The latter is what I mean. The 4 per cent is an average of the interest.

Mr. NORRIS. The guaranty provides for the interest on the bonds, whatever it may be according to the terms of the bonds?

Mr. CUMMINS. No; the English agreement was to guarantee the net earnings of the year 1913, the year before the war. The net earnings did pay 4 per cent upon the bonds and 3½ per cent in substance upon the stock, and that is the amount which Great Britain pays.

Mr. NORRIS. Do not the bonds bear a specific amount on their face?

Mr. CUMMINS. I do not know. Some of them bear 3½ per cent interest, some of them 4½, but the average is about 4.

Mr. KELLOGG. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I do.

Mr. KELLOGG. Did I understand the page referred to by the Senator to be page 965 of volume 5 of the Record?

Mr. CUMMINS. Some one has taken that volume from my desk.

Mr. KELLOGG. Very well. That shows that the rate of return was 4.4 per cent, and that the dividend that they paid on their stocks the previous year was 3.91 per cent, if that is the table to which the Senator refers.

Mr. CUMMINS. The table shows what it shows. My statement with regard to the aggregate guarantee is derived from the testimony of Mr. Julius Kruttschnitt as well as the testimony of Clifford Thorne, both of whom have computed the returns that were made under the English guaranty.

Mr. SMITH of South Carolina. Mr. President, will the Senator allow me at this juncture just to read a brief statement taken from the British report and printed in a memorandum submitted to the Committee on Interstate Commerce relative to the Government control of railroads in Great Britain in its financial aspect with relation to the railway employees? It was prepared by the Legislative Reference Division of the

Library of Congress, and printed for the use of the Committee on Interstate Commerce. It is just a few lines which, if the Senator will allow me, I should like to read, right on this point.

Mr. CUMMINS. Very well.

Mr. SMITH of South Carolina. It says:

1913 a "banner year." The general opinion in railway, engineering, and investing circles at the time the terms of compensation were announced was, that "the Government has been generous." The year 1913 had been a "banner year," marking "the high level of prosperity" of the British railways since the beginning of the century. The average dividend rate upon the total ordinary capital (excluding nominal additions), whether or not ranking for dividend, had been higher in 1913 than for many years previous. The Investors' Review has declared that "as 1913 was a very good year, taken all around, the shareholders have not much to grumble about." The Scottish railways responded at once to the new situation which the agreement brought about, by making the dividend announcements which, because of the uncertainty due to the war and to the assumption of control by the government, had been postponed.

Mr. CUMMINS. I was stating a fact, not endeavoring to explain it.

Mr. SMITH of South Carolina. The point I was making was that the railroads have postponed any dividends on their stock and after they made the agreement with the Government they immediately resumed payment of dividends on their stock.

Mr. CUMMINS. That fact is entirely irrelevant and immaterial to the point I am making. I am trying to show what Great Britain did for her railways, which was a guarantee of net earnings for the year 1913, and I have endeavored to point out what those net earnings were in order to show what return upon capital Great Britain allowed to the bondholders and the shareholders of her railways.

I ask the Senate now to look with me for a moment upon what the proposed guarantee will do, if it were accepted by all the railroads. I do not know that it will be accepted by all the railroads. I think it is more than likely that some of the weaker railroads will insist upon their reward in legal proceedings, but I am very sure that all the great systems of railways in the United States will eagerly accept the offer. But let us assume now that they will all accept the offer of a guaranteed operating income, the average of the three years just passed.

According to the terminology of the reports required by the Interstate Commerce Commission the net operating income of a railroad is the sum which remains of operating earnings after deducting the expenses of operating, maintenance, taxes, and the like. A great many roads have other sources of income, and to those sources I will presently make some reference. They are outside of the present arrangement, and these roads will be possessed of these incomes in addition to the guaranteed sum which the Government proposes to pay.

The majority report says that the aggregate guarantee for all the railroads is \$945,000,000. I say in frankness that that is a few million dollars, very few, however, more than I had estimated as the guaranteed amount of the average net income, but I will, as I ought, accept the view of the majority of the committee in that respect.

We undertake also to pay in addition to the \$945,000,000 per year a fair per cent upon the increase in the value of the property between the 30th of June, 1917, and the 1st of January, 1918. This increase is estimated by the majority of the committee at from ten to fifteen million dollars. I will assume the lower of the two amounts. We then reach an aggregate guarantee—and if one road does not get it another one will—for all the railroads of the United States of \$955,000,000 annually.

Let us see what that will do for the capitalization of all the railroads of the United States. As shown by the report of the Interstate Commerce Commission filed in the hearings the par value June 30, 1917, of all railway bonds, eliminating duplications, was \$10,021,730,075. Is there any dispute about that? If there is I should like to hear it made now.

There were outstanding on the 30th of June, 1917, \$10,021,730,075. The people who hold these bonds have agreed with the railway companies with regard to the returns upon their part of the capital or capitalization. No matter what we do, the bondholders who own this vast sum in securities will neither receive more nor less. Their return is fixed by agreement.

Mr. President, the annual interest charge upon the bonded debt of all the railroads in the United States for the year ending June 30, 1917, was in round numbers \$400,000,000. As I remember it, as reported by the Interstate Commerce Commission, it was \$405,000,000. There was some interest upon floating debt or unfunded debt which I need not mention at this time. It would make no difference in the results which I shall read.

Deducting \$400,000,000 required to pay the interest upon all the bonds held by the public or eliminating duplications, all the railroads, considering them as one, would have at the end of the first year of this guarantee \$550,000,000 available for their shareholders or their stockholders.

Now, do not let us misunderstand the meaning of that situation. I do not say that these railway companies would distribute \$550,000,000 in dividends. They have not done that in the past and I have no reason to believe that they will do it in the future. But these companies will have of the Government guaranty \$550,000,000 available for shareholders, money that can either be used for dividends, for an increase in the value of the property, or for the extinguishment of debt, or some other capital account. In any event, it inures to the benefit of the stockholders. It is their money and they can use it as they desire.

A very simple computation, the simplest in the world, shows what we are guaranteeing upon an average for all the railways in the United States, and I am treating them now as one company, remember. We are guaranteeing 8.5 per cent on all the stock of all the railroads in America, and that without taking into consideration the other sources of income which many of these companies have, and which will swell the power of the railway companies to return dividends to or construct property for their shareholders.

Mr. KELLOGG. Mr. President—

The VICE PRESIDENT. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. CUMMINS. I yield.

Mr. KELLOGG. Where does the Senator get his figures for that statement?

Mr. CUMMINS. Which statement?

Mr. KELLOGG. That 8.50 per cent on all the stock not including the corporate income.

Mr. CUMMINS. The Senator must have noticed where I got it.

Mr. SMOOT (to Mr. CUMMINS). You did not give the aggregate.

Mr. CUMMINS. I beg pardon; I think I omitted one element there, and then the Senator can make his inquiry. I have already shown the interest charge. I now come to the stock. The aggregate par value June 30, 1917, of the capital stock of all railroads, eliminating duplications and omitting some of the very small roads which do not report, was \$6,314,570,554.

Mr. KELLOGG. That is a correct statement.

Mr. CUMMINS. Does the Senator say that is not correct?

Mr. KELLOGG. It is a correct statement of the amount of stock outstanding. But the experts of the commission furnished the figures which I quote, which show that the interest on bonds is \$450,000,000 instead of \$400,000,000, and that the total divi-

dend, if all the income, both corporate and net operating income was applied to the stock, would be only 8.26 per cent.

Mr. CUMMINS. The statement is wrong, that is all, in my judgment; or if that statement is right then the Interstate Commerce Commission has made a different one to the committee. I do not pretend to reconcile all these figures. I say that the Interstate Commerce Commission filed with our committee a statement which showed that the interest paid upon all the bonds outstanding on the 30th day of June, 1917, was \$405,000,000, and all we need to do is to recur to the report in order to verify what I have said.

I have not included in my computation the interest upon the unfunded debt, the current debt, nor do I think it ought to be included.

That is a varying sum paid from month to month, and the debt existing in one part of the year may be entirely discharged in another part of the year. The Senator from Minnesota will observe that I confine my statement to the interest upon the bonded debt, and upon this statement I reaffirm that the United States, if it gives this authority, is authorizing the guaranty of a sum that, aside from all other sources of income, will be the equivalent of 8.5 per cent upon all the stock of all the railroads—

Mr. NORRIS. Mr. President—

Mr. CUMMINS. Even if my figures were modified in the way suggested by the Senator from Minnesota, and I have had no opportunity, of course, to examine those figures because they were not put before the committee. They were evidently furnished recently and may be accurate, but I should like to have an opportunity to examine them, because there is nothing so deceptive as figures.

Mr. SMOOT. There is a difference of only one-quarter of 1 per cent.

Mr. CUMMINS. It makes so little difference anyhow that the disparity is a negligible matter. I yield to the Senator from Nebraska.

Mr. NORRIS. I think it would be interesting if the Senator has the figures if he would tell us, in connection with the figures he has just given, how much revenue the railroads have derived in the same fiscal year from other sources.

Mr. CUMMINS. I can not give that accurately because I have it combined with the net operating income in another connection.

Mr. NORRIS. Could the Senator give it approximately?

Mr. CUMMINS. I think it is something like fifty millions of dollars.

Mr. KELLOGG. If the Senator desires it I will state that the statistician of the Interstate Commerce Commission says that the total corporate income outside of net operating income amounts to \$150,000,000, and the obligations for net rentals paid is \$119,000,000.

Mr. KING. Will the Senator allow me?

Mr. CUMMINS. Of course, I am very glad to have the Senator from Minnesota answer the question, but I have not examined the table.

Mr. NORRIS. If the Senator will permit me, it occurred to me when the Senator was giving the figures that he was omitting one item which would not apply to all roads, but to a great many roads, the amount of income from the sale of public lands, etc. I suppose it is not included.

Mr. CUMMINS. No.

Mr. NORRIS. With some roads that would be quite a large item, so much so that it would have quite an effect upon the income.

Mr. CUMMINS. Mr. President, I will presently, when I come to consider the railroads which are affected by the amendment which I will propose, show precisely the combined income guaranteed by the Government, that is, the net operating income and the income from other sources, not separated but combined, in order that there may appear precisely what each of these companies will have at the end of each year of Federal control for the benefit of their stockholders. I yield to the Senator from Utah.

Mr. KING. I was about to suggest to the Senator from Iowa that the figures just submitted by the Senator from Minnesota [Mr. KELLOGG] seem to be based entirely upon incomes derived from operating roads or leased roads. There is considerable income that is derived from other property than what might be denominated strictly railroad property, for instance, coal companies, hotels, a large quantity of real estate, and that would swell considerably the figures submitted by the Senator from Minnesota.

Mr. CUMMINS. Possibly so. I have not examined the table, so I am not able to advise upon it.

Mr. President, no matter whether the percentage suggested by the Senator from Minnesota or the percentage which I have named is correct, either is intolerable. Either will inflict an injustice from which this country will never recover, because we are taking now a step which involves something more than the mere ascertainment and payment of just compensation for a limited period.

Mr. President, remember that more than one-half the capital stock was issued originally in defiance of both law and morals. Remember that more than one-half of it—and I am not now imagining, I am stating the result of investigation after investigation that has heretofore been carried on—more than one-half of the capital stock was issued without any consideration whatever paid to the railway corporation or corporations which issued it. I do not assert that the present holders of the railway stock have paid nothing for it; I do not know; but I do know that a large part of it is absolutely baseless, so far as consideration is concerned. And so we are proposing here to guarantee to all this great mass of inflated, watered capital stock an annual return of more than 8 per cent upon its face par value. It may be that action of that kind can be defended, but hitherto I have not heard anyone with sufficient temerity to undertake its defense.

Mr. SMOOT. Was that upon the par value or the market value?

Mr. CUMMINS. The 8.5 per cent is upon the par value. This showing, however, does not represent the full iniquity of the proposal. I have been considering now the effect of the guaranty upon the railway stock of all the railroads without discrimination as between them. I shall now separate these railroads into two classes. I intend now, after setting aside companies operating 110,000 miles of the railways of the country which I think this bill does not guarantee more than they should receive, to ask your attention to 86 systems of railway which represent 140,000 miles of single track, and which carry from 75 to 80 per cent of the traffic of the country, and I want you to consider what this guaranty will do for them, for I do not want to withdraw one single farthing from the proposed guaranty so far as the weaker and poorer railroads are concerned. I would add to the guaranty rather than diminish it, not in the aggregate, but as to particular properties.

I will at this point read the amendment which I had printed, because I think that in discussing what we are about to do for the railways covered by my amendment we ought to carry in our minds the change which the amendment suggests. The amendment is to be added after the word "included," on line 17, page 2, of Senate bill 3752, and reads as follows:

Provided, That the standard return to any such carrier whose average rate of net income to capital stock for the years aforesaid has been more than 5 per cent shall not exceed the net railway operating income for the calendar year 1917 after deducting therefrom the amount available out of earnings for investment and surplus: *Provided further*, That the last preceding limitation shall not be employed so as to reduce the net income (above all operating expenses, taxes, interest, and all other fixed charges) of any such carrier below the amount required to meet each year the regular dividend accruals on all capital stock outstanding December 31, 1917. The surplus over and above the standard return as so computed shall be paid into the revolving fund hereafter created, and such part thereof as may be necessary shall be used in additions, betterments, and extensions to said property. All of said property constructed out of, or purchased by the same, shall belong to, and shall be held in trust for, the public, and no return to any railway company shall ever be paid thereon.

If you will turn to the minority views which I submitted you will find on pages 7 and 8 a table which names the railways that will come within the amendment which I have proposed, and whose standard return will be affected by the amendment. These railway companies or systems are 86 in number and, as I have more than once said, they comprise about 140,000 miles of single-track railway. The table to which I have referred, the original of which I hold in my hand, was prepared by the Bureau of Statistics of the Interstate Commerce Commission. I accept it implicitly, for I believe that it states in each instance the exact truth.

Taking up the table, I call attention, first, to the Pennsylvania Railroad Co. The proposed standard return, that is the return of the bill, the net operating income of the company for the three years which have been taken as the test, is \$46,764,485. The average net income for the three years ended June 30, 1917, was \$44,534,939.

The statement of those two sums of money requires me now if I can, to explain what these terms "net railway operating income" and "net income" mean, as they are employed by the Interstate Commerce Commission and as they are used in the reports made by the railroad companies. I do this because it would appear from the statement that the proposed standard return of net operating income is larger than the average net

income for these years. It is larger because in the column of average net income for the three years ending June 30, 1917, the interest upon all debts has been deducted, whereas in the proposed standard return—that is, the average net railway operating income—the interest upon indebtedness has not been deducted. On the other hand, the income from other sources than mere railway operation has been carried into the item \$44,534,939, and "net income" shows not only the net railway operating income but the net income from other sources, less the interest that has been paid both on bonds and the general indebtedness.

I think that it is worth while, Mr. President, at this point to explain just what these terms mean. I have before me the preliminary Abstract of Statistics of Common Carriers for the year ended June 30, 1916, which was issued by the Bureau of Statistics of the Interstate Commerce Commission, and is an official document. It is the last one of its kind that has been printed. I will take the Pennsylvania Railroad as an instance, in order that we may fully understand how these things are computed.

I pass the assets and liabilities, that is, the balance sheet, and come to the income account for the year. The first item in the income account for the year is \$220,113,358. That represents the railway operating revenue. The next item is \$155,278,979. That represents the railway operating expenses. That includes all the expenses of operation of every kind, maintenance of all kinds, all salaries from that of the president to that of the section hands, all wages, all supplies, everything that enters into the operation of the railway. That leaves a net revenue from railway operation of \$64,834,379. There is then mentioned "Railway tax accruals." Those are the taxes for the year and the uncollectable railway revenue; and those two items are deducted from the net revenue, which leaves \$57,460,639. That is the railway operating income of the Pennsylvania Railroad. There are certain adjustments of a minor character named in the bill that I need not mention. That is the railway operating income, and it is what remains of the operation revenue after the deduction of all expenses, including taxes.

Now, we come to quite a different aspect of the matter. We come, now, to what is known as nonoperating income and nonoperating expenses. Let us see what they are. I will not read the amounts attendant upon them. Omitting the three items which are taken in under this section, which do not really make very much difference in the outcome—and I will not pause to explain why they are taken in—the first item of credit in the nonoperating income is the income from lease of roads; the second is miscellaneous rent income; the third is nonoperating physical property; another is the dividend income; and that I desire to impress upon the minds of all Senators who are here. The Pennsylvania Railroad Co. receives in dividends from other railroad companies, and possibly from other properties, too, \$15,450,308. Then, income from funded securities, income from unfunded securities, and accounts, and all other nonoperating income.

Now, we come to the debit balance in nonoperating revenues. First, we have hire of freight cars, rent of locomotives, rent for other equipment, joint facility rent—these are taken into the bill as a part of the railway operating income; but they are so small, and they so nearly balance each other, that it makes no difference in the outcome—rent for leased roads. The Pennsylvania Railroad Co. paid during the year covered by the figures \$10,128,558 as rent for roads which it leased. Then, the miscellaneous tax accruals, separately operated properties, interest on funded debt, amounting to \$11,763,357, and interest on unfunded debt, amounting to \$262,487, all other income deductions, and so on.

Those two classes of items were balanced up, and they then were carried into the operating income which I have already described, and the outcome was that the net income of the Pennsylvania Railroad Co. for that year was \$53,733,439. That was the amount that the Pennsylvania Railroad Co. had for its shareholders; that was the amount that it could use in any way it saw fit for the benefit of the owners of the property and all the property that is included within their capitalization.

Now let us see how it used that money. In the first place, it paid \$2,002,198 to sinking fund. That, of course, is to retire, I assume, some obligations in a certain time. That is a direct payment upon capital, of course, and is for the benefit of shareholders. Next, dividend appropriations of income. It paid \$29,952,222 in dividends for that year. The third item is income appropriated for investment in physical property; that is to say, it took of its net income that belonged to its shareholders, \$15,000,000 and more, and instead of dividing it as dividends among the stockholders it bought property for the

stockholders or constructed property for the stockholders but it was none the less an earning for the shareholders. Then, the next item is miscellaneous appropriations of income, \$2,267,414.

After paying the dividend of 6 per cent—for that is the dividend of the Pennsylvania—and after putting fifteen and a half million dollars in new property and after putting two and a quarter million dollars in some other kind of property, it still had remaining undistributed and undisposed of \$3,996,260 as the result of the year's operation, and when it added that to the surplus which it had accumulated in former years it had at the end of the year, after all expenses and charges and interest and dividends, and after it had taken nearly \$18,000,000 for the purchase of new property, it had with which to begin the year, a surplus of \$29,541,830, being the accumulation of that year and of previous years.

I have gone carefully into this and somewhat in detail, and I know in a wearisome way, but I think it is due to the members of the Senate who care to acquaint themselves with the subject, who care anything about the enormous burden that we are assuming, to know what is meant by "railway operating income," and what is meant by "net income," and what the two combined will do for the stockholders, as well as for the bondholders of the railway companies.

With that explanation I take up again the table furnished me by the Interstate Commerce Commission.

If the guaranty which is proposed in this bill is given, the stock of the Pennsylvania Railroad Co. will earn in each year of Federal control 8.92 per cent. In stating that I am assuming that the income of the property from other sources—that is, outside of the operating income—will be the same that it has been in the three years that are past.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Iowa yield to the Senator from Colorado?

Mr. CUMMINS. I yield.

Mr. THOMAS. May I ask the Senator if that includes the interest on the bonded debt?

Mr. CUMMINS. The interest upon the bonded debt has all been taken out, as well as all other debts.

Mr. THOMAS. Then the eight and odd per cent is net?

Mr. CUMMINS. The 8.92 per cent is net—net to the stockholders.

Mr. THOMAS. After the payment of the bonded interest?

Mr. CUMMINS. After all expenses of operation, maintenance, depreciation, taxes, fixed charges and interest are paid; and that will be true of each one of these companies which I am about to name.

Mr. KING. Mr. President, would that include the war taxes, too?

Mr. CUMMINS. It does not include the war tax. I suppose the Senator from Utah has reference to the war tax of 1917.

Mr. KING. October, 1917.

Mr. CUMMINS. It does not include that. We all have to bear our war taxes. Certainly I do not want to guarantee these companies against their war taxes.

Mr. SMITH of Michigan. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. If I correctly gather what the Senator has said, the Pennsylvania Railroad Co. under this proposed arrangement would net nearly 3 per cent more than they have been able to net under their unrestricted management in normal times?

Mr. CUMMINS. No.

Mr. SMITH of Michigan. Well, 2.7 per cent.

Mr. CUMMINS. I think that is hardly right, because the Pennsylvania Co. has been earning these amounts in the past.

Mr. SMITH of Michigan. Yes; but, notwithstanding all that, it is proposed by this bill to give them a sum in excess of what they would earn in ordinary, normal times; is it not?

Mr. CUMMINS. I think that is the proposal, if you qualify it by saying "ordinary, normal times." I am not asserting that we are proposing to give to the Pennsylvania Railroad Co. more than it earned during the year 1916.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield to the Senator from Utah.

Mr. SMOOT. My colleague [Mr. KING] asked the question as to whether this covered war taxes. I doubt very much whether there are more than two or three railroads in the United States that will have to pay war taxes under the present

law. They do have to pay the increased surtax; but as far as the excess-profits tax is concerned, I think there are only two railroads in the United States that will pay any excess-profits tax. The Pennsylvania will not have to pay any.

Mr. STONE. The New York Central would.

Mr. SMOOT. The Union Pacific would.

Mr. CUMMINS. I think the Senator from Utah is probably right; but, however that may be, the taxes for the first half of the year 1917, whatever they may be under the act of 1917, are not deducted as expenses from the operating revenue.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield.

Mr. NORRIS. I wish the Senator in this connection would tell us how the average income for the three years mentioned in the bill compares with the average income of the railroads in normal times.

Mr. CUMMINS. If the Senator will tell me what he regards as normal times it will be easier for me to answer the question.

Mr. NORRIS. Well, before the war. I want to know, and I think the Senate would like to know, how the income of the three years that have been selected for the average compares with the income of 10 years preceding.

Mr. CUMMINS. I am just estimating it, but I think the average of the 3 years would be \$150,000,000 a year more than the average for 10 years.

Mr. NORRIS. Then is it true that the three years selected are practically the most profitable dividend-paying years in the history of railroading in this country?

Mr. CUMMINS. The years 1916 and 1917, with practically all the railroads, and certainly as to the aggregate, show a net operating income very far in excess of any other years in the history of the country. For instance, the net operating income of all the railroads for 1916 was, in round numbers, \$1,050,000,000. For the year before, 1915, the same net operating income was only about \$755,000,000. The net operating income for the year 1917 is about one billion and forty million dollars. I am speaking in round numbers; I do not remember the exact sum. But those two years go far beyond any other year in amount. I think it is true that there are some years in which the rate of return upon what they call their book value was larger, or as large, anyhow, as during the year 1917; but so far as amounts are concerned, there are no years comparable with 1916 and 1917.

Mr. JOHNSON of South Dakota. Mr. President—

Mr. CUMMINS. I yield to the Senator from South Dakota.

Mr. JOHNSON of South Dakota. I understood the Senator to answer the question of the Senator from Colorado that the net income of this particular road, the Pennsylvania, was something over 8 per cent after all deductions had been made, of course, of the interest on bonds and various other things. That is true, is it?

Mr. CUMMINS. I said the net income which we will guarantee. In other words, we guarantee an operating income for the Pennsylvania Railroad; and that operating income carried into its net income will pay on all the stock of the Pennsylvania Railroad 8.92 per cent.

Mr. JOHNSON of South Dakota. Another question: That is regardless of the amount of bonds. Suppose, then, that a railroad should be built at a cost of \$25,000 a mile, and they should immediately turn around and bond that road for forty or fifty thousand dollars a mile, as has been done at various times. Would not the net income which they receive be that much more proportionately on that part of the income than the difference between the bonds and the actual cost of the road?

Mr. CUMMINS. It would be if that had been true of any past transaction of the Pennsylvania Road. Of course, our guaranty to the Pennsylvania Road would not cover the issuance of bonds in the future, because we have that within our control.

Mr. JOHNSON of South Dakota. I only speak of it in a general way, wishing to get that matter clear in my mind.

Mr. CUMMINS. The New York Central Railroad will be guaranteed 12.96 per cent upon its capital stock.

The Baltimore & Ohio will be guaranteed 5.83 per cent.

The Pennsylvania Co., as distinguished from the Pennsylvania Railroad Co., will be guaranteed 11.92 per cent.

The Philadelphia & Reading Railway Co. will be guaranteed upon its stock 25.70 per cent.

The Delaware, Lackawanna & Western Railroad Co. will be guaranteed 32.90 per cent upon its stock.

Mr. HITCHCOCK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. CUMMINS. I yield.

Mr. HITCHCOCK. I should like to understand to what extent these companies will be permitted to pay dividends to their stockholders out of these profits.

Mr. CUMMINS. There is a subsequent provision in the bill that without the consent of the President they shall pay no larger dividends than they have been in the habit of paying heretofore.

Mr. HITCHCOCK. Then in the case of the Pennsylvania Road, for instance, which has been paying 6 per cent, as I recall, it will not be permitted to pay the 8½ per cent to which the Senator has referred?

Mr. CUMMINS. I do not know. They will not be permitted to pay it without the consent of the President.

Mr. HITCHCOCK. With the President's consent, then, they might be permitted to distribute all of these earnings in dividends?

Mr. CUMMINS. Oh, yes; precisely.

The Michigan Central Railroad is guaranteed an income that will pay 18.48 per cent upon its capital stock, and I suppose a large part of the stock of the Michigan Central is owned by the New York Central.

The Central Railroad of New Jersey is guaranteed an income that will pay 20.25 per cent upon its stock.

Mr. HITCHCOCK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa further yield to the Senator from Nebraska?

Mr. CUMMINS. I yield.

Mr. HITCHCOCK. One more question: Will the Senator from Iowa state whether the President also has authority to require the investment of some of the surplus earnings in betterments on the roads?

Mr. CUMMINS. The bill provides that he can require railroad companies to better and improve their properties; but, of course, if they do, then we have to begin to pay interest upon that.

Mr. HITCHCOCK. Not during the operation of this bill.

Mr. CUMMINS. Surely, unless they are taken out of earnings.

Mr. HITCHCOCK. I am assuming that they are taken out of earnings. Take the case of the Pennsylvania for a concrete case. The Government, under this bill, guarantees a net operating earning of 8½ per cent, is it?

Mr. CUMMINS. 8.92 per cent.

Mr. HITCHCOCK. 8.9 per cent. If the President simply permits them to earn their 6 per cent dividend as heretofore, and requires them to put into betterments the remaining 2.9 per cent, will they be permitted to have guaranteed earnings on that additional amount invested in betterments?

Mr. CUMMINS. This bill provides that so long as the Government is in possession of the property the compensation shall not be increased on that account if the betterments are made out of earnings.

Mr. HITCHCOCK. Yes.

Mr. CUMMINS. But instantly the roads are returned to their owners, then they begin to charge the public rates that will make returns upon these added values. But I want the Senator from Nebraska to bear in mind that what I am trying to do is to take that 2.92 per cent, in the case of the Pennsylvania Road, and put it into the Treasury of the United States, unless the Director General or the President uses it in the betterment and in the improvement of the property so far as the public needs may require. We have reached a time when it seems to me that if the payment of 6 per cent upon all the capital stock of the Pennsylvania Railroad Co., and the payment of all the interest upon all its indebtedness together constitute fair and just compensation for the use of the property under all the circumstances, it should be for the Government to take this surplus and use it in the development and betterment of the property; and when it is returned to the Pennsylvania Road, if it ever is returned, let us return it under such conditions that the company will not be permitted at any time to charge the public for a return upon values so created.

Mr. HITCHCOCK. One other question: Under the construction which the Senator from Iowa desires to put upon this law, or under the form in which he desires to put it, would the railroads during the next year earn as much and receive as much as they received during the average of the past three years?

Mr. CUMMINS. Mr. President, one can only conjecture about that. The business of the United States may collapse at any moment. There seems to be a disposition to limit the business of the United States now to such businesses as are absolutely necessary to carry on the war. If that policy is pursued, it is perfectly apparent that the volume of traffic will very greatly diminish, and the revenues of these railroads will be very much less.

Mr. HITCHCOCK. The Senator has misunderstood my question. Suppose the bill is amended to suit his views: I ask him then whether the guaranty which he would make would give as great compensation to the roads for the next year as they have received for the average of the last three years?

Mr. CUMMINS. It would not. That is the very thing I am complaining about—that we are guaranteeing these roads their average income under rates that ought to shock the mind of any man who gave examination to the subject; rates that were only permissible because it was necessary to maintain them in order to enable 200,000 miles of the railways in this country to survive. We have been compelled to enrich the Pennsylvania, the New York Central, the C., B. & Q., the North Western, the Union Pacific, in order that other and less favored or less fortunate competitors might live.

Mr. HITCHCOCK. Then the fact is that the Senator from Iowa proposes in this bill to regulate and reform the railroad incomes of the United States.

Mr. CUMMINS. No. I am proposing to give them a great deal more than they ought to have. I can not understand the mind of any man who believes that these railroads ought to have the income of the last three years just because they have earned such an income in the last three years. That to me is a proposal that is much more mysterious than any of the problems of the tariff with which we have struggled in times gone by. I do not believe that simply because the railways have earned these sums of money in the last three years therefore they are entitled to earn them in the future. I do not believe that the earnings of a railway property form a measure for estimating or determining the value of the railway property. The earnings for the last three years would indicate that the railroad property of the United States was worth more than \$21,000,000,000. I do not believe it. I do not think that there has been \$12,000,000,000 of independent capital invested in the railway properties of the United States, and I for one intend, so long as my strength endures, to protest against the proposed capitalization of excessive earnings and the unearned increment; and that is what this bill is intended to accomplish.

Mr. HITCHCOCK. Mr. President, I do not want the Senator to assume that I am out of sympathy with his position.

Mr. CUMMINS. Oh, I understand it.

Mr. HITCHCOCK. There is much justification for it; I live in a State in which the prosperous railroads earn very large returns upon their investment; but I wanted to get clearly before the Senate whether the Senator proposes in this bill, which is an emergency measure and a war measure, to really reform the railroad earnings of the country as a permanent policy.

Mr. CUMMINS. Not at all. I propose to offer them what I regard as just compensation for the use of their property.

Some people seem to think that in the emergency, because the United States is struggling for its life, because we are about to call upon all the energies of the people to support our armies and our navies, now is the appropriate time to give the railroads a great deal more than they ought to have. There seems to be an impression that everybody should suffer but the railway companies in the distribution of our burdens. I would very much rather give the railroads this income in time of peace than in time of war. I might find it possible to justify these exactions if we were going forward in a normal way with an opportunity for earnings and profits such as we formerly enjoyed; but I have a good deal of contempt for the profiteers in the conflict in which we are now engaged.

Mr. STONE. Mr. President—

Mr. CUMMINS. I yield to the Senator from Missouri.

Mr. STONE. As I understand the Senator, he objects to the earnings of the railroads he names. His remarks may be applicable to all railroads, but I refer to those he names. He thinks they have been earning unusual, rather what I may characterize as abnormal, profits during the years 1916 and 1917, and that that ought not to be made the basis for compensation to the railroads for the use of their properties during the remainder of the war. If it be true that during the years he mentions, embraced in the period of the war, these earnings have been made by the railroads named, and if it is to be presumed, as I submit it may reasonably be presumed, although I am not arguing the question one way or the other, that like earnings could be made by the same railroads during the current year and the next year, if the war goes on, then during the time while the Government has possession of the railroads I am a little puzzled to know why the capacity earnings of the railroads during the period of the war should not be made a fair basis of compensation for that period.

The bill limits the occupation and control of the railroads to the period of the war, or substantially that. I ask the Senator to inform me if the Pennsylvania or the New York Central or

any other railroad earned a certain per cent of profit out of its total business during the years 1916 and 1917, a war period, and could earn in reasonable expectation a similar per cent during the remaining years of the war, whatever it may be, why that would not be a fair basis of compensation for the time we are to have control of the properties.

Mr. CUMMINS. Upon the basis of the question of the Senator from Missouri, why should we guarantee anything? Why not let the roads earn what they can and let them take what they earn. As far as I am concerned, I am quite—

Mr. STONE. But the Government is going to operate the railroads.

Mr. CUMMINS. I know, and that is it precisely. Our whole thought seems to be for the railroads. Here are the railroads in the midst of war and the Government thinks they ought to be managed under the direction of the Secretary of the Treasury. All the officers of the companies are retained, all the employees of the companies are retained. We are guaranteeing to the presidents and managers of these big companies their tremendous salaries. We are guaranteeing to all these officers, and I have no doubt they have earned their money in times past, the compensation which they have formerly received, and I commend that spectacle to the Senator from Missouri when he comes to argue this matter elsewhere. But I am willing to do that if the railroads will take their chances. Give each railroad what it earns under Government direction—

Mr. ROBINSON. Mr. President—

Mr. CUMMINS. And if a railroad does not earn anything let it suffer, and if another railroad earns very much let it profit. But we are proposing to make certain what is uncertain. It is just the difference between a Government bond and the note of a speculator without fixed responsibility. You can not—

Mr. ROBINSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. CUMMINS. In just a moment. You can not float one at the same rate of interest that you float the other. I yield to the Senator.

Mr. ROBINSON. The Senator from Iowa has asked what is the necessity for a Government guarantee to the railroads, and he has indicated—

Mr. CUMMINS. No; before the Senator from Arkansas begins, what I stated was in view of the question put by the Senator from Missouri [Mr. STONE]. I understand the necessity of guaranteeing an income and I believe in guaranteeing an income.

Mr. ROBINSON. Very well, but certainly the plain indication of the Senator's question was that Congress was doing an injustice to the public in making any guarantee at all, for he followed the question with the declaration that he was willing that the railroads under Government control and operation should be left to earn what they could and to receive what they earned. The Senator now states that he did not intend any such implication.

Mr. CUMMINS. No, I hope I did not say anything of that kind. The Senator from Arkansas misunderstood me. The Senator from Missouri was propounding a question and wanted to know why we could not guarantee the earnings which these companies would receive in the years of the war and for 18 months thereafter, and I said that I was willing that they should receive those earnings, but I hope the Senator from Arkansas did not understand that I am so insane as to think we ought not to accompany this transition with a guarantee.

Mr. ROBINSON. If the Senator will permit me, I repeat, the implication which I thought was contained in his answer to the question of the Senator from Missouri, and his declaration was that he was willing that the railroads should be left to earn what they could and to receive what they earned without a Government guarantee; so no guarantee should be made.

In this connection, with the Senator's permission, I will state that the unified operation of the railroads under Federal control will undoubtedly very materially affect the earnings of all the railroads under that control. It will enable some of the railroads to earn very much more than they would have earned under private control and it will prevent many of the railroads from earning as much as they would under private control, and therefore arises the necessity for a Government guaranty of some kind.

Mr. CUMMINS. The statement of the Senator from Arkansas is unanswerable. It would be in the last degree unwise for the Government to assume the direction of the railroads of the United States without making provisions for the necessary income for the railroads. I was simply suggesting that if this bill was founded upon the assumption that the railroads would earn these sums of money in the next two or three years it must be borne in mind that their capacity to earn is conjectural. No human being can determine what they will earn. The whole

commercial fabric of the United States may collapse long before the period of Federal control ends. Commerce may diminish, but the pay of the railroads goes on just the same. The guarantee of the Government is binding upon us no matter what may be the consequences of the war.

If I may proceed with this table, I notice that to the Bessemer & Lake Erie Railroad Co. we propose a guarantee in the sum of 647 per cent upon its stock, upon the Chicago & Erie 70 per cent, upon the Hocking Valley 11.94 per cent.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. CUMMINS. I yield.

Mr. POMERENE. The Senator has referred to the Bessemer & Lake Erie Railroad Co. and the guarantee of 647 per cent on the capital stock. Can the Senator inform us as to the amount of capital actually invested in that company?

Mr. CUMMINS. I can not, but—

Mr. KNOX. Mr. President—

Mr. CUMMINS. I think I can tell you.

Mr. POMERENE. If I may interrupt the Senator, the Senator from Minnesota [Mr. KELLOGG] the other day in his very able argument gave us a statement of the property valuation of that company. I do not remember the number of million dollars, but assuming that the property statement was correct the earnings of that company would only be about 10 per cent on the investment.

Mr. KNOX. Mr. President, I happen to know a good deal about the Bessemer & Lake Erie Railroad. It is not a railroad in the ordinary sense at all. It is a mere incident to the Carnegie Steel Co.'s business. It is a road built to enable them to carry their own ore from Lake ports to Pittsburgh, so that they might operate their mines in the Minnesota regions more economically than if they had their ore hauled by the Pittsburgh & Lake Erie Railroad. It was owned entirely within the Carnegie Steel Co. and capitalized at only \$500,000, although it operates property worth in the neighborhood of thirty-five or forty million dollars. The earnings are not at all excessive. They do not represent hundreds of per cent; they represent practically a little less than 10 per cent upon the entire capital invested. Those figures are very misleading because of that fact.

Mr. CUMMINS. Mr. President, I am not to blame for the deception in the figures. I am simply reading from the report made by this company to the Interstate Commerce Commission.

Mr. KNOX. I only state the facts. The report does mislead; I do not say the Senator does but the report misleads, because there is no analogy between that property and other railroad property.

Mr. CUMMINS. I quite agree with that. It is a very smaller matter. It is a small railroad.

Mr. KNOX. It is, however, just as well to have it correct.

Mr. CUMMINS. I think if that railroad stood alone it would hardly be worthy of comment, and I only read it in order to indicate the application of a rule of the sort that I am opposing.

I turn now to other railroads in the table, to which I shall often refer. The Illinois Central Railroad will be guaranteed a net income of 11.33 per cent upon its capital stock; the Louisville & Nashville an income of 16.75 per cent; the Norfolk & Western an income of 12.51 per cent; the Atlantic Coast Line 10.80 per cent. I shall only mention a few of the principal companies in order that the full significance of what we are doing can be understood.

I turn to the western district and find that our guarantee together with other income which the company possesses will furnish to the Atchison, Topeka & Santa Fe a return of 9.70 per cent upon its capital stock. The Chicago & North Western will be guaranteed an income of 10.18 per cent; the Chicago, Burlington & Quincy, 22.05 per cent; the Minneapolis, St. Paul and Sault Ste. Marie, 12.09 per cent. So I might proceed naming all these railroads which compose the 140,000 miles which my amendment will affect. It is sufficient to say that the average guaranteed income upon capital stock in the eastern district is 11.48 per cent; the average in the southern district is 12.37 per cent, and the average in the western district is 9.96 per cent. Of course these averages are applied only to the roads which have in the last three years earned a net income of more than 5 per cent upon the capital stock.

Mr. President, I have presented the effect of this bill with a great deal of earnestness and at very great length. The subject, I think, interests the people of this country more than any other matter. It is obvious that when these incomes are guaranteed, when wages are increased, as they will be, when the cost of operation increases as it must, the rates which are to be paid by the people of the country for the transportation of their commerce will also be increased.

I think that is the purpose of those who originated the plan which we are asked to approve to increase rates for transportation. There has been a struggle for years, intense, comprehensive, to increase rates. Those who have desired increases have been but partially successful. Whenever the Government guarantees the income which is here proposed, that struggle will have ended in victory for the carriers and these properties will be returned, if they ever are returned, to their owners burdened with a system of rates which will impose unreasonable, unfair taxes or impositions upon the people of the country who are least able to bear their burdens.

I can not avoid the conclusion that we are here proposing to pay for the use of this property at least \$175,000,000 per year more than just compensation for its use. I have endeavored to show why my mind tends toward that conclusion. I shall offer an amendment which will not interfere with the payment of interest upon the railway securities, which will not interfere with the payment of any dividends that have heretofore been paid, whether it be 5 per cent or 8 per cent, but which will, when applied to these 86 systems and railroad companies, reduce our guaranty substantially \$175,000,000 per year.

Remember that we are undertaking to maintain the properties. We are undertaking to finance them. If enlargements should be necessary, we are undertaking to so deal with them that at the end of the period of Government control they shall be returned to their present owners in as good condition as they now are. All that the owners will lose will be their use in the meantime, and, Senators, if the catastrophe through which we are now passing, if in this world-wide and world-destroying struggle the railway properties can enter and emerge in full complete condition, ready again to perform their service for commerce and receive while they are passing through this ordeal all the interest upon their bonds and all the dividends upon their stock guaranteed and insured by the Government, they ought to be content. To do more for them is to encourage and establish a system of profiteering which the people of the country will condemn and repudiate.

I wonder that the railway owners of the country are not wise enough, have not vision enough, to look forward to the end of this war. We will win the war. No matter how long the struggle may continue we will win the war; but the vital conflict in the interest of the American people will be confronted after the war. I can not help but think that the owners of these vast properties would be wiser if they would recall what is now transpiring in Russia. It would seem to be instructive if they would remember what is moving beneath the surface in Germany. It would help them, I am sure, to a sound judgment if they would look across the sea upon the unrest which is disturbing Great Britain. It is idle to think that America can escape the influences of that great movement sweeping over the earth.

I, for one, as I said before, believe in property; I believe in law; I believe in order; I believe in the Constitution; and I should like to do something to strengthen American institutions against the shock which they are sure to experience. We can not fortify ourselves against that vital moment by taking from the people of this country the money which is proposed in this bill and paying it to the railway corporations.

Mark my words, that the multitudes of America will believe that we are taking from them \$175,000,000 annually more than they ought to pay. Remember what I say, that in the days to come they will decide that we have taken from them this vast sum of money and without reason, or without justice, or without necessities have transferred it to coffers already overflowing with riches. I beg the Senate not to do it. If it values stability, if it desires peace and content among the people, if it wants to preserve the love and the affection and the enthusiasm of the people of this country, so that we can press forward with all our strength to a world victory for justice and order, let us not do this unjust thing.

Mr. President, I ask that the table which I referred to, as having been prepared by the Interstate Commerce Commission may be printed as a part of my remarks.

The PRESIDING OFFICER (Mr. KING in the chair). Without objection the request of the Senator from Iowa will be granted.

The table referred to is as follows:

INTERSTATE COMMERCE COMMISSION,
DIVISION OF STATISTICS,
Washington, February 5, 1918.

The statement covers Class I operating roads whose ratio of average annual net income to capital stock was over 5 per cent for the three years ended June 30, 1917. The totals, by districts, are as follows:

District.	Proposed standard return (A).	Railway operating income for the year ended June 30, 1917, modified as in standard return (D).	Net income less dividends and sinking fund appropriations for the year ended June 30, 1917 (E).	Modified standard return under the proposed amendment (F).	Difference between standard return in S. 3632 and modified standard return.
	(b)	(f)	(g)	(f) (g) (h)	(b) (h) (i)
Eastern.....	\$271,832,392	\$287,529,552	\$76,861,276	\$226,628,725	\$65,235,657
Southern.....	199,931,987	128,147,658	62,874,878	65,272,780	35,659,217
Western.....	299,214,232	341,618,298	104,227,284	227,034,724	72,219,538
Total.....	671,978,641	757,295,508	243,963,438	498,934,229	178,074,412

In compiling the data consolidations, reorganizations, etc., were not given consideration, as to analyze all such cases would consume more time than was available. It is probable that the omission would not materially affect the totals.

Statement showing for the roads named certain figures based on interpretations of Senate bill 9532 and of the proposed amendment, compiled from data as returned in the annual reports of the carriers named to the Interstate Commerce Commission.

Road.	Proposed standard return. (A.)	Capital stock actually outstanding. Average for the three years ended June 30, 1917. (B.)	Average net income for the three years ended June 30, 1917. (C.)	Average per cent of net income to capital stock. (d)÷(c).	Railway operating income for year ended June 30, 1917, modified as in standard return. (D.)	Net income less dividends and sinking fund appropriations for the year ended June 30, 1917. (E.)	Modified standard return under the proposed amendment. (F.)	Difference between standard return in S. 3632 and modified standard return. (b)-(h).
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
EASTERN DISTRICT.								
Pennsylvania R. R. Co.....	\$49,764,485	\$499,195,597	\$44,534,939	8.92	\$47,948,734	\$14,473,083	\$33,475,651	\$13,288,835
Pittsburgh, Cincinnati & St. Louis R. R. Co.....	53,511,241	249,676,123	32,357,229	12.95	58,188,321	21,259,322	36,928,999	16,582,242
Baltimore & Ohio R. R. Co.....	25,403,074	210,809,812	12,283,229	5.83	26,148,113	2,397,279	23,750,834	1,622,149
Pennsylvania Co.....	14,853,558	80,000,000	9,537,859	11.92	13,967,372	354,938	13,612,434	1,238,122
Philadelphia & Reading Ry. Co.....	15,928,993	42,481,700	10,916,875	25.70	17,413,452	6,037,921	11,375,531	4,533,482
Delaware, Lackawanna & Western R. R. Co.....	15,855,114	42,220,409	13,890,560	32.90	16,541,813	8,064,744	8,477,069	7,378,045
Pittsburgh, Cincinnati & St. Louis R. R. Co.....	10,195,615	67,511,723	4,558,593	6.75	13,391,545	1,270,315	10,195,615	-----
Lehigh Valley R. R. Co.....	11,083,603	60,608,000	7,169,999	11.83	10,754,531	1,029,268	9,725,263	1,358,340
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co.....	9,985,039	57,027,209	5,048,902	8.85	11,781,922	6,589,013	5,192,909	4,792,133
Michigan Central R. R. Co.....	8,099,779	18,733,400	3,463,464	18.48	8,568,841	1,391,115	7,177,725	922,053

NOTE A.—Based on the average annual "Railway operating income," plus or minus the net debits or credits of hire of equipment; equipment rents, and joint facility rents, for the three years ended June 30, 1917. Railway operating income is railway operating revenues less railway operating expenses, railway taxes and uncollectible railway revenues.

NOTE B.—Represents the average annual par value of common and preferred stock outstanding and not held by or for the issuing company, for the three years ended June 30, 1917.

NOTE C.—"Net income" is "Railway operating income" plus nonoperating income and minus deductions for interest, rents, and certain other fixed charges.

NOTE D.—Based on the latest available figures which are used for illustration only. (See also Note A.)

NOTE E.—Represents "Net income" as reported, less appropriations from income and surplus for sinking and other reserve funds and for dividends. It is possible that it may have been appropriate to consider other items in arriving at this figure, but to expedite the work only the two items mentioned were used.

NOTE F.—In some cases it is possible that the amount shown will need to be increased to provide for the regular dividends, because of fluctuations in nonoperating income items. Where the figures are the same as shown in column (b) the amendment is not understood to supersede the original provisions of the bill.

Statement showing for the roads named certain figures based on interpretations of Senate bill 3632 and of the proposed amendment, compiled from data as returned in the annual reports of the carriers named to the Interstate Commerce Commission—Continued

Road.	Proposed standard return. (A.)	Capital stock actually outstanding. Average for the three years ended June 30, 1917. (B.)	Average net income for the three years ended June 30, 1917. (C.)	Average per cent of net income to capital stock. (d)÷(c).	Railway operating income for year ended June 30, 1917, modified as in standard return. (D.)	Net income less dividends and sinking-fund appropriations for the year ended June 30, 1917. (E.)	Modified standard return under the proposed amendment. (F.)	Difference between standard return in S. 3632 and modified standard return. (b)-(h).
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
EASTERN DISTRICT—continued.								
Central R. R. Co. of New Jersey.....	\$9,313,973	\$27,436,800	\$5,556,775	20.25	\$9,724,798	\$2,093,157	\$7,631,641	\$1,682,332
Delaware & Hudson Co.....	7,415,150	42,502,600	5,437,547	12.79	6,354,377	115,649	6,238,728	1,176,422
Philadelphia, Baltimore & Washington R. R. Co.....	3,661,608	25,571,000	2,941,156	11.50	4,405,575	1,891,995	2,513,579	1,146,020
Pittsburgh & Lake Erie R. R. Co.....	9,051,626	31,991,200	7,537,923	23.56	9,542,422	1,655,137	9,051,626	239,732
Elgin, Joliet & Eastern Ry. Co.....	2,867,702	10,000,000	945,239	9.45	2,605,512	122,438	2,627,950	410,340
Maine Central R. R. Co.....	2,970,826	18,199,317	1,605,075	8.82	3,257,175	696,683	2,560,492	363,503
Buffalo, Rochester & Pittsburgh Ry. Co.....	3,276,410	16,500,000	1,569,021	9.45	3,510,448	597,541	2,912,907	2,158,085
Bessemer & Lake Erie R. R. Co.....	4,745,332	500,000	3,236,080	647.22	4,821,261	2,234,014	2,587,247	345,528
Chicago & Erie R. R. Co.....	228,186	100,000	70,449	70.45	18,210	109,132	117,342	1,042,023
Hocking Valley Ry. Co.....	2,665,004	10,999,593	1,313,129	11.94	3,370,767	1,747,785	1,622,982	103,712
West Jersey & Seashore R. R. Co.....	956,867	10,317,983	691,139	6.70	995,075	141,920	853,155	574,995
Central New England Ry. Co.....	1,470,608	8,547,200	717,566	8.40	1,510,731	615,118	895,613	534,400
New York, Philadelphia & Norfolk R. R. Co.....	998,311	2,500,000	893,508	35.74	1,175,032	711,121	463,911	415,847
Rutland R. R. Co.....	1,026,227	9,150,300	575,651	6.29	1,120,184	518,804	610,380	233,344
Bangor & Aroostook R. R. Co.....	1,557,656	4,079,067	337,808	8.28	1,746,135	391,823	1,354,312	819,536
Cumberland Valley R. R. Co.....	1,261,941	5,333,550	1,280,684	24.01	1,558,963	1,116,564	442,405	563,266
Kanawha & Michigan Ry. Co.....	1,376,255	9,000,000	991,665	11.02	1,447,115	704,126	742,989	321,518
Lehigh & New England R. R. Co.....	1,155,024	6,000,000	819,722	13.65	1,179,287	345,779	833,508	145,512
Chicago, Terre Haute & South Eastern Ry. Co.....	926,804	4,300,000	231,761	5.46	1,251,092	460,800	791,292	217,367
Lehigh & Hudson River Ry. Co.....	525,315	1,340,000	374,915	27.98	525,791	297,843	307,948	227,943
Monongahela Ry. Co.....	583,175	3,809,333	352,800	9.26	615,154	259,927	355,227	164,982
Cincinnati Northern R. R. Co.....	322,799	3,000,000	268,573	8.95	377,724	219,907	157,817	19,923
Port Reading R. R. Co.....	169,236	2,000,000	182,547	9.13	42,971	103,337	149,308	239,598
Detroit & Toledo, Shore Line R. R. Co.....	462,061	1,428,000	348,030	24.37	462,238	239,805	222,433	150,285
Buffalo & Susquehanna R. R. Corp.....	593,466	7,000,000	496,202	7.09	743,001	299,820	443,181	73,273
Staten Island Rapid Transit Ry. Co.....	329,703	500,000	160,119	32.02	168,563	187,868	256,431	128,801
Detroit & Mackinac Ry. Co.....	313,624	2,950,000	218,976	7.42	342,555	157,735	184,820	65,205,667
Total Eastern district.....	271,832,392	1,593,322,780	182,921,748	11.48	287,529,552	76,861,276	206,626,725	
SOUTHERN DISTRICT.								
Illinois Central R. R. Co.....	\$16,672,020	\$109,288,114	\$12,383,882	11.33	\$22,710,792	\$13,450,104	\$9,260,688	\$7,411,332
Louisville & Nashville R. R. Co.....	17,509,852	72,000,000	12,053,870	15.75	22,731,889	12,082,423	10,649,466	6,840,383
Norfolk & Western Ry. Co.....	20,882,895	138,583,887	17,342,810	12.51	24,183,243	10,498,407	13,684,836	7,178,060
Chesapeake & Ohio Lines.....	13,265,327	62,785,000	5,848,431	9.31	15,633,299	5,473,232	10,160,067	3,105,310
Atlantic Coast Line R. R. Co.....	10,289,314	68,754,703	7,424,004	10.80	12,714,215	5,376,338	7,337,877	2,931,437
Central of Georgia Ry. Co.....	3,462,855	20,000,000	1,878,570	9.39	4,353,315	1,937,392	2,420,921	1,041,933
Nashville, Chattanooga & St. Louis Ry.....	3,217,945	15,994,831	2,175,423	13.60	4,433,794	2,804,133	1,629,661	1,585,319
Mobile & Ohio R. R. Co.....	2,591,017	6,016,800	883,037	14.75	3,142,328	1,241,732	1,900,596	690,421
Cincinnati, New Orleans & Texas Pacific Ry. Co.....	3,285,023	5,443,400	2,448,928	44.99	4,979,321	3,315,131	1,664,190	1,629,831
Florida East Coast Ry. Co.....	2,858,295	10,833,333	1,090,321	10.05	4,007,115	2,174,751	1,832,364	1,025,931
Alabama Great Southern R. R. Co.....	1,741,801	11,210,350	1,364,245	12.17	2,420,082	1,220,663	1,199,419	542,382
New Orleans & North Eastern R. R. Co.....	1,016,703	6,000,000	645,449	10.77	1,368,821	571,537	797,284	219,419
Richmond, Fredericksburg & Potomac R. R. Co.....	1,195,007	4,315,057	979,495	22.70	1,508,012	558,470	949,542	245,465
Georgia Southern & Florida Ry. Co.....	516,777	3,768,000	222,186	5.90	747,160	353,353	393,807	122,970
Charleston & Western Carolina Ry. Co.....	478,916	1,200,000	260,036	21.67	583,845	308,683	275,162	203,751
Gulf & Ship Island R. R. Co.....	600,705	7,000,000	373,070	5.33	616,872	298,856	318,016	282,680
Alabama & Vicksburg Ry. Co.....	333,781	2,100,000	300,784	17.18	497,285	272,453	224,832	108,940
Washington Southern Ry. Co.....	499,026	4,000,000	348,641	8.72	730,923	504,627	226,296	272,730
Atlanta & West Point R. R. Co.....	259,820	2,463,600	292,922	11.89	387,782	273,114	114,668	145,152
Western Railway of Alabama.....	294,904	3,000,000	251,851	8.39	398,619	179,446	219,173	75,731
Total.....	100,931,987	554,745,062	68,636,910	12.37	128,147,658	62,874,878	65,272,780	35,659,207
WESTERN DISTRICT.								
Atchafalpa, Topeka & Santa Fe Ry. Co.....	\$38,139,059	\$332,323,877	\$32,230,091	9.70	\$43,078,082	\$20,209,304	\$22,868,778	\$15,272,231
Southern Pacific Co.....	38,377,277	272,725,239	17,983,726	6.60	43,883,903	2,187,028	38,377,277	
Chicago, Milwaukee & St. Paul Ry. Co.....	27,214,821	233,235,167	14,339,613	6.15	27,978,372	186,287	27,214,821	
Chicago, Burlington & Quincy R. R. Co.....	34,040,162	(G)110,839,100	(G)24,444,045	(G)22.05	(J)40,616,182	(H)22,263,311	18,352,871	15,687,291
Chicago & North Western Ry. Co.....	23,451,674	157,591,852	16,040,315	10.18	26,184,531	7,562,445	18,622,133	4,823,533
Great Northern Ry. Co.....	28,754,713	249,361,863	24,021,687	9.63	28,910,903	6,514,433	22,396,470	6,358,303
Northern Pacific Ry. Co.....	30,383,324	247,982,000	24,287,781	9.87	34,943,547	10,954,428	23,989,119	6,394,205
Union Pacific R. R. Co.....	23,744,051	321,835,100	31,018,328	9.64	26,100,255	6,295,077	19,815,180	3,930,862
Minneapolis, St. Paul & Sault Ste. Marie Ry.....	11,637,004	(G)37,510,200	(G)4,571,790	(G)12.09	(J)11,847,688	(H)2,611,881	9,235,807	2,401,197
Oregon Short Line R. R. Co.....	10,243,359	100,000,000	9,381,016	9.33	12,781,039	12,038,103	712,934	9,530,425

¹ Deficit or reverse item.

NOTE A.—Based on the average annual "Railway operating income," plus or minus the net debts or credits of hire of equipment, equipment rents, and joint facility rents, for the three years ended June 30, 1917. Railway operating income is railway operating revenues less railway operating expenses, railway taxes, and uncollectible railway revenues.

NOTE B.—Represents the average annual par value of common and preferred stock outstanding and not held by or for the issuing company, for the three years ended June 30, 1917.

NOTE C.—"Net income" is "Railway operating income," plus nonoperating income and minus deductions for interest, rents, and certain other fixed charges.

NOTE D.—Based on the latest available figures which are used for illustration only. (See also Note A.)

NOTE E.—Represents "Net income" as operated, less appropriations from income and surplus for sinking and other reserve funds and for dividends. It is possible that it may have been appropriate to consider other items in arriving at this figure, but to expedite the work only the two items mentioned were used.

NOTE F.—In some cases it is possible that the amount shown will need to be increased to provide for the regular dividends, because of fluctuations in nonoperating income items. Where figures are the same as shown in column (b) the amendment is not understood to supersede the original provisions of the bill.

NOTE G.—Figures based on the two years ending June 30, 1915, and June 30, 1916.

NOTE H.—Year ended December 31, 1916.

NOTE I.—Partly estimated.

NOTE K.—Figures based on the two years ending June 30, 1915, and June 30, 1917.

Statement showing for the roads named certain figures based on interpretations of Senate bill 3632 and of the proposed amendment, compiled from data as returned in the annual reports of the carriers named to the Interstate Commerce Commission—Continued.

Road.	Proposed standard return. (A.)	Capital stock actually outstanding. Average for the three years ended June 30, 1917. (B.)	Average net income for the three years ended June 30, 1917. (C.)	Average per cent of net income to capital stock. (d)÷(c).	Railway operating income for year ended June 30, 1917, modified as in standard return. (D.)	Net income less dividends and sinking-fund appropriations for the year ended June 30, 1917. (E.)	Modified standard return under the proposed amendment. (F.)	Difference between standard return in S. 3632 and modified standard return. (b)-(h).
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
WESTERN DISTRICT—continued.								
Texas & Pacific Ry. Co. (Rec.)	\$4,145,821	\$38,755,110	\$2,548,330	Per cent. 6.58	\$5,768,676	\$4,349,712	\$1,418,961	\$2,726,857
Chicago, St. Paul, Minneapolis & Omaha Ry. Co.	4,955,248	29,815,000	2,854,452	9.57	5,460,301	1,439,690	4,020,611	934,637
Duluth, Missabe & Northern Ry. Co.	5,377,214	4,112,500	4,693,088	114.12	7,150,468	1,059,334	5,377,214	.....
El Paso Southwestern Co.	(J) 4,256,395	(G) 25,000,000	(G) 2,190,198	(G) 8.76	(J) 6,112,390	(H) 2,082,092	4,030,298	226,097
Houston & Texas Central R. Ry. Co.	1,732,973	10,000,000	1,088,368	10.88	2,901,747	2,276,369	625,378	1,107,595
Duluth & Iron Range R. R. Co.	2,398,945	5,333,333	2,040,987	38.27	2,633,753	606,835	2,026,918	372,027
Fort Worth & Denver City Ry. Co.	1,901,975	9,243,800	1,297,029	14.03	2,564,989	1,330,242	1,234,747	670,238
Panhandle & Santa Fe Ry. Co.	1,341,385	604,500	389,097	64.37	1,983,820	1,013,527	970,293	371,092
St. Louis, Brownsville & Mexico Ry. Co.	990,237	500,000	263,544	52.71	2,046,814	1,231,316	815,498	174,739
Chicago, Rock Island & Gulf Ry. Co.	(J) 961,648	(G) 469,000	(G) 83,685	(G) 17.84	(J) 1,273,057	(H) 46,112	961,648	.....
Bingham & Garfield Ry. Co.	1,299,862	6,171,667	1,405,681	22.78	1,812,940	38,582	1,299,862	.....
Louisiana Western Ry. Co.	903,918	3,360,000	802,684	23.89	1,372,421	1,285,781	86,637	817,281
Nevada Northern Ry. Co.	885,023	2,000,000	879,907	43.99	1,231,472	203,722	885,023	.....
Vicksburg, Shreveport & Pacific Ry. Co.	347,934	4,999,300	299,634	5.99	(J) 628,981	399,599	229,382	118,552
Houston East & West Texas Ry. Co.	377,627	1,920,000	231,199	12.20	581,755	450,559	131,196	243,431
Cripple Creek & Colorado Springs R. R. Co.	(K) 369,737	757,000	171,612	22.67	529,520	131,395	369,737	.....
Colorado & Wyoming Ry. Co.	333,053	100,000	162,636	162.64	415,503	106,133	309,370	23,683
Wichita Valley Ry. Co.	353,169	1,020,000	117,936	11.56	346,926	12,974	333,952	19,217
Arizona & New Mexico Ry. Co.	302,651	2,770,000	237,614	8.58	468,199	130,742	302,651	.....
Total	233,214,262	2,210,635,611	220,076,073	9.96	341,618,298	104,227,284	227,004,724	72,207,538

NOTE A.—Based on the average annual "Railway operating income," plus or minus the net debits or credits of hire of equipment, equipment rents, and joint facility rents, for the three years ended June 30, 1917. Railway operating income is railway operating revenues less railway operating expenses, railway taxes, and uncollectible railway revenues.

NOTE B.—Represents the average annual par value of common and preferred stock outstanding and not held by or for the issuing company, for the three years ended June 30, 1917.

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NOTE K.—Figures based on the two years ending June 30, 1916, and June 30, 1917.

Mr. ROBINSON obtained the floor.

Mr. POMERENE. Mr. President, I know that the Senator from Arkansas has given a great deal of very careful thought to the bill now pending before the Senate and I feel that Senators ought to hear what he has to say. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KING in the chair). The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hardwick	New	Smoot
Beckham	Henderson	Norris	Sterling
Borah	Hitchcock	Nugent	Stone
Calder	James	Oberman	Sutherland
Chamberlain	Johnson, Cal.	Page	Swanson
Cummins	Johnson, S. Dak.	Phelan	Thomas
Curtis	Jones, N. Mex.	Pittman	Tillman
Dillingham	Jones, Wash.	Poinexter	Trammell
Fernald	Kellogg	Pomerene	Vardaman
Fletcher	Kenyon	Robinson	Wadsworth
France	King	Saulsbury	Watson
Frellinghuysen	Knox	Shafroth	Weeks
Gallinger	McKellar	Sheppard	Williams
Gronna	McNary	Simmons	Wolcott
Hale	Martin	Smith, Mich.	
Harding	Myers	Smith, S. C.	

Mr. McKELLAR. I desire to announce that the Senator from Kansas [Mr. THOMPSON] is detained on official business.

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, the Chair announces that a quorum is present. The Senator from Arkansas is recognized.

Mr. ROBINSON. Mr. President, I express the hope that Senators whose other duties will enable them to do so will remain in the Chamber during the brief time that I shall attempt to discuss two matters connected with the bill under consideration.

In all that has been said by the Senator from South Carolina [Mr. SMITH], the Senator from Minnesota [Mr. KELLOGG], and the Senator from Iowa [Mr. CUMMINS] concerning the importance of this measure I heartily concur. Considered from the standpoint of property values involved and the economic issues which are in part, if not wholly, determined by the bill, it is perhaps more far-reaching than any other measure that has come before the Congress.

It is not necessary to argue the wisdom of promptly disposing of the issues raised by the pending legislation. That must be apparent to every Senator. I do not mean to imply that undue haste should occur in determining such important questions as we now consider, but it may with propriety be asserted that all unnecessary delay should be avoided, and the questions now at issue should be determined just as quickly as their importance and nature will permit.

The Director General is very anxious that Congress shall act, for it is necessary to arrange as soon as practicable for certain funds in connection with the maintenance, the depreciation, and the operation of the carriers under his control. It is desirable to end, in so far as legislation can do so, the existing uncertainty as to the status of the railroads and the policy of the Government in the operation of them and to take such action as may be necessary to prevent loss and inconvenience to the carriers and to the public resulting from the lack of necessary arrangements for maintenance and indispensable improvements.

Furthermore, the financial plans and policies of the administration can be much more readily formulated and consummated; the enormous funds necessary to be secured through liberty loans and otherwise for the requirements of the Treasury in the prosecution of the war can be much more readily obtained when the vexing questions connected with this legislation have been answered and the purpose and policy of the Government respecting the control and operation of transportation lines have been definitely fixed by law.

This bill providing for the operation of transportation systems while under Federal control and for just compensation to their owners should be kept before the Senate until disposed of. It ought not to be laid aside for the consideration of appropriation measures or other bills, however important, unless of a very emergent nature.

It is not my intention to undertake at this time a discussion of all the important controverted subjects connected with the bill. I prefer rather to pursue a course which I hope will be helpful to some Senators who desire to understand that feature of the bill immediately under consideration, namely, section 1, relating principally to the authorization of agreements between the Government and the railroads in settlement of the compensation due the owners for the taking of their property by the President. I shall direct my remarks for the pres-

ent principally to the subject of "Compensation." Before entering upon a discussion of this fundamentally important feature of the bill it may not be undesirable to discuss another topic concerning which the Senator from Minnesota [Mr. KELLOGG] has expressed an opinion contrary to that asserted by the Senator from South Carolina [Mr. SMITH] and the Senator from Iowa [Mr. CUMMINS].

SOME OF THE REASONS FOR FEDERAL CONTROL.

The Senator from Minnesota [Mr. KELLOGG], in his very able and instructive address on this bill delivered on Wednesday last stated that, in his opinion, it was unnecessary and unwise for the Federal Government to take possession of and to operate the railroads; that all justifiable ends could have been as readily accomplished through private control and operation under the supervision and counsel of a central authority, the Director General.

The Senator from South Carolina [Mr. SMITH] has forcefully informed the Senate of the reasons requiring the Government to take over the roads and operate them, and the Senator from Iowa [Mr. CUMMINS] has reinforced his position in this regard, expressing the opinion that the Executive should have acted when the war began, and that the only important mistake was in too long delaying action under the act of August 29, 1916.

I believe, and shall attempt to demonstrate, that Federal control and operation were necessary, indeed, almost unavoidable, and that the President acted wisely in not exercising the powers conferred upon him by Congress to take over the railroads and operate them in a time of war until the necessity for such action had been recognized by public opinion. For the Government to take possession of and use the railroads was a very radical step, involving it in great liabilities and responsibilities. And it does not seem to me to be a proper subject of censure or criticism that the Chief Executive was not hasty in exercising the very extraordinary authority.

The Senator from Minnesota [Mr. KELLOGG] does not, in my opinion reflect the prevailing judgment among other well-informed students of transportation conditions in the United States when he declares that it was unnecessary and unwise to take over and operate the railroads during the present war. His legal knowledge, his broad experience and devotion to the public interest give force to any opinion he may express, but it seems to me that the weight of the argument is against his contention. With no disposition to assert myself as an authority on the subject, I take the liberty of summarizing briefly some of the arguments which, to my mind, conclusively justify the taking and operation of the railroads by the Government under existing conditions.

During recent years railroad extensions and construction have not kept pace with the requirements of commerce. It would not be profitable to enter upon a discussion of the reasons for the partial suspension of railroad building in the United States during late years. It is the fact which is important in this debate. While traffic was constantly and rapidly increasing, railroad extensions and equipment were not being provided in proportion. With the outbreak of the war, transportation requirements, particularly on the lines approaching the Atlantic seaboard, were greatly increased. The railroads seemed unable correspondingly to increase their facilities. In this address I lay no blame upon them for this.

While many lines in other parts of the country promptly transported the freights tendered them, the railroads in the East, particularly those which reach our greatest seaport, became overcrowded, resulting in thousands of freight cars being used for warehouse purposes. The inability of ships sailing from New York Harbor to obtain coal, added to other embarrassments to shipping, accentuated the difficulties until the congestion became appalling.

It became apparent that one practical means of relief could be found in the diversion of freight. This could not be legally accomplished under private control, the law giving to the shipper the privilege of routing his freight. The Federal Government operating the roads could disregard shippers' routings and send the freight over any line.

Moreover, the rerouting of freight materially affects the operating revenues of the carriers and implies the necessity for pooling earnings, which can not legally be done under private control. Even if the antipooling sections of the law had been repealed, railroads operating under a competitive system, which has been regarded as one of the fundamental features of private control and operation, would not be able promptly to effect voluntary arrangements which would deprive one road of its normal business for the benefit of a competing carrier.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. KELLOGG. I wish to say that in that regard I agree with the Senator. I do not wish to be understood as disagreeing on that proposition. Government direction was undoubtedly necessary to accomplish that, because under the present law the railroads themselves could not bring about that result.

Mr. ROBINSON. I think the Senator's statement adds strength to the argument which I am attempting to make, and I thank him for it.

It should be remembered that at the time the President took possession of the railroads the military operations of the Government were being greatly embarrassed. Troops, supplies, and munitions destined for the battle front were being delayed both on the railroads and at port. Only the strong arm of the Government could clear the lines, hurry necessary fuel to the ships, and hasten the transportation of soldiers and supplies to France. Unified control was partially accomplished through the railroads war board, a voluntary organization composed of some of the best and ablest railroad men in the Nation while the carriers were yet under private control. The service which this board rendered was in many respects admirable and highly commendable, but the board could not make or repeal law, and, most important of all, it could not remove the natural obstacles to unified operation created by the desire and obligation of every railroad manager to secure for his line all the business he could obtain.

Under Government control it is possible to make common use of all tracks, facilities, and equipment. This could not be legally done under private control.

Under private control it was not possible to distribute efficiently cars and motive power, and in consequence some roads were at times over supplied, while others were unable to obtain a sufficiency. Under private control when freight was diverted by the action of the war board, it probably constituted a violation of law and gave rise to many difficulties which do not arise under Federal control.

Furthermore, the railroad representatives were fearful of a decline in railroad credit. They claimed to need the financial support of the Government to sustain and stabilize railroad securities, in the absence of which the railroads were threatened with ruin.

Before the President exercised the powers conferred upon him by the act of August, 1916, the public had generally come to anticipate the taking over and operation of the roads by the Government, and I believe the wisdom of his action has been disclosed by events which have already occurred and will be further vindicated in the future.

Whatever may be our views concerning the wisdom and necessity of Federal control, it is an accomplished fact that the President, under the authority of Congress, has taken possession of the railroads and is operating them through the agency of the Director General. The taking possession of the roads and the use of them by the Government creates a legal liability on the part of the Government to the owners to pay for the use of the property taken.

THE NATURE AND EXTENT OF THE GOVERNMENT LIABILITY.

I shall now briefly speak of the nature and extent of the Government liability. This legislation is framed upon the theory that the Government's possession and use of the railroads is merely temporary, and that, therefore, the true legal measure of "just compensation" is not the value of the property taken, but is the value of its use. The Congress can not declare, as has been heretofore stated in the debate and as every Senator probably understands, what constitutes just compensation. It can not determine the amount due the railroads and provide a fixed sum by appropriation. Under the Constitution, the question as to what constitutes just compensation is a legal question, to be determined by the courts after a consideration of all the facts and circumstances. The Congress can not even instruct or direct the courts to embrace or exclude elements of value, nor can it restrict them in determining the amount of just compensation due. If the Congress could impose upon the courts a direction as to what facts should be considered and what elements of value should be embraced in determining the question of just compensation, it could effectually confiscate property and thus defeat the very purposes of the constitutional provision that "private property shall not be taken for public use without just compensation." I maintain, notwithstanding the prolonged and, to my mind, in some respects erroneous argument of the Senator from Iowa, that the standard return is the best and fairest basis for agreement as to just compensation that has been suggested, for the all-controlling reason that it

approximates closely the legal measure of the amount recoverable at law.

Mr. President, the Government's obligation is to pay to the railroads what is due them for the use of their property. Congress can not deprive the carriers of the right to receive compensation for the use of their property taken and used by the Government. Certainly no Senator would desire to do that. The Congress can provide the means and the tribunal for determining the amount of compensation to be paid for private property taken for public use, but it can not restrict or circumscribe the power of the tribunal to determine the amount of compensation to be paid. The standard return provided for in this bill—namely, the average annual railway operating income for the three-year period ended June 30, 1917—constitutes a just basis for an agreement respecting just compensation. Some have claimed that the compensation which may be obtained under this standard return is too little, while others, including the Senator from Iowa, have asserted that it may be entirely too much.

Every Senator who has discussed this subject has expressed the opinion that it is both desirable and necessary to enact legislation to enable the President to make agreements with the railroads, and thus avoid the necessity for litigating the question of compensation in the courts. This proposition seems self-evident. If the railroads of the country should be remitted in the first instance to the courts for a determination of the question of just compensation, it would require the talent, the energy, and the resources of many of the best men of the Nation for many years before these disputes could be settled. In addition to this, it would lessen the efficiency of the transportation systems and weaken the Government in the conduct of the war. It must be admitted by all that it is desirable to provide for settling the question of compensation out of court. Of course, the Congress can not take away from the railroads the right to litigate the question. We can not compel any carrier to enter into an agreement. We must provide a means for determining judicially the amount of compensation due any carrier for the taking and use of its property by the Government. It follows that any agreement provision, to be acceptable, must be of such a nature that it is likely to be availed of, both by the Government and by the carriers. It would be futile to spend our time in formulating a method for settling out of court these disputes if the provisions of the law enacted by Congress were such that in all probability the railroads would not take advantage of them, but would prefer to take their remedy through judicial process.

The chief value of the standard return is that it approximates the actual amount of compensation which a court would in all probability award a carrier upon a trial of its case. It is necessary and advisable that any agreement provision which we write in this bill should have that characteristic. Since the railroads can not be deprived of the right to sue for compensation and have a court pass upon the amount due, it would be absurd to deny to them approximately the amount to which they would be plainly entitled under the law. It seems to me to be the wise course to so write this bill that the railroads can obtain without litigation approximately what they would be likely to get through litigation, and if we do this, in all probability the carriers will enter into an agreement; if we fail to do this, they will likely decline to enter into agreements, and will resort to the courts for their remedy.

It is my purpose now to attempt to show that the provision in this bill respecting compensation through voluntary settlement between the President and the carriers is fair and just, and approximates the basis upon which the courts would determine it. If I can establish this proposition, I will be entitled to have your favorable action concerning this provision.

The primary and fundamental element which a court will consider in determining the value of the use of property, is its earning capacity. I do not mean to imply that other elements do not enter into the subject, or to assert that other facts should not receive due consideration. I merely say that the principal thing in determining the value of the use of property is its earning capacity. The carriers had established their earning capacity under Government regulation and supervision. A system of rates which determines the amount of their earnings has been in operation with the approval of the Government as just and reasonable, and this system of rates has been recommended as a fair basis for present and future charges. That is to say the Interstate Commerce Commission has fixed the rates, and recommended to Congress that the rates so fixed be determined legislatively as fair and reasonable.

Prior to the passage of the act to regulate commerce in 1887 the power of the railroads to make rates was unlimited. Few legal restrictions, especially of a Federal nature, existed on the authority of a carrier to charge any rate it desired. With the act of

1887 began the period of regulation which extends to the present. The act of 1890, commonly called the Sherman Antitrust Act, the act of 1906, and the act of 1910 constituted an evolution in the regulation of the railroads through Federal agency. Gradually the power of the Federal regulating body was increased and extended until now it may be said that the Interstate Commerce Commission has the power to make and determine rates.

The railroads blame upon overregulation by the Interstate Commerce Commission and State commissions many of the deficiencies in railroad affairs. Their representatives assert that the Government, through the Interstate Commerce Commission, has pursued a niggardly policy which has prevented them from making sufficient earnings to adequately provide extensions, additions, and equipments. I do not subscribe to this declaration without material modification.

The standard return is based upon the average annual earnings for the three-year period ended June 30, 1917. These earnings were made under Federal regulation, under rates fixed and controlled by a Federal agency, the Interstate Commerce Commission.

What would be the legal effect of this in a judicial proceeding to determine just compensation? In my opinion, the earnings of the railroads under rates fixed by the Government agency would not be conclusive of just compensation. Evidence would be admitted to show that the earnings which the Government permitted were inadequate to meet the requirements of the constitutional provision as to just compensation, or, on the other hand, that they were in excess of just compensation. The rate-making power, within certain limitations, is, of course, a legislative power. It would be perfectly competent for the legislature to adopt toward the railroads a policy which would enable them to realize very great profits, profits in excess of the measure of the value of the use of their property when taken by the public. The principal limitation upon the legislative power to make rates is that they shall not be confiscatory. A rate which is not confiscatory may not, however, be compensatory in the true sense of that term. It would undoubtedly be competent to show as an evidence of the value of the property or its use the earnings of the railroads under Government regulation. In all probability a court would give great weight and credence to this evidence.

It is not only true that the standard return approximates the legal basis for just compensation, but it is also the most convenient plan that has been suggested for adjusting controversies concerning compensation. It involves the use of terms, records, and accounting systems of the Interstate Commerce Commission.

Some difference of opinion has been expressed as to just what items should be embraced in the standard return.

Apparently all are agreed that it should include operating revenues, operating expenses, railway tax accruals, and uncollectible railway revenues, but there is considerable difference of opinion as to whether other items should be included. The present bill as amended includes "equipment rents" and "joint facility rents." In determining the standard return it is well to know something of the details of the character of the Government operations, what changes will be effected in existing methods and practices, and the purpose of the Government in providing the standard return, or any other, for that matter.

During the course of the remarks of the Senator from Iowa [Mr. CUMMINS] the question arose as to what is the necessity or justification for the Government to make a guaranty to the railroads. I attempted then to explain briefly the justification for this proposal. Under Government operation and control it will be the policy to affect very materially the business of the carriers operated by the Government. Some of the railroads will no doubt have their business very materially increased, while others will experience a great falling off in the traffic which they carry.

It may with propriety be assumed, first, that the Government will so conduct the railway operations as to affect the net income of individual carriers, and perhaps of the carriers as a whole, and the net income will very likely be quite different from what it would be under private operation.

Second, the Government desires to be just and fair, both to the public and to each individual carrier whose property is taken over, and it, therefore, desires to establish a basis for the standard return that will not favor one carrier as against another.

Third, as to the roads taken over and operated, the Government will receive the income and make or authorize the expenditures so far as the income items included in the standard return are concerned, and it will further guarantee to each of such carriers a definite amount, retaining the surplus income, if any, and providing from other sources for any deficit there may be, and, further, that the carriers, individually, will be re-

sponsible for receipts and expenditures involving income or other items not included in determining the standard return.

If these assumptions be correct, every item of income that may be affected in one way or another by Government operation should be included in arriving at the standard return. Of course, it is not necessary to carry this idea to the extreme. It is the opinion of the best experts I have consulted that in practically all cases justice will be done if the standard return outlined in the proposed bill is adopted.

Some of the reasons justifying these conclusions are embraced in the following suggestions:

EQUIPMENT RENTS.

The term "equipment rents" includes not only hire or rent of freight cars but also of locomotives, passenger cars, floating equipment, and work equipment. As to most roads the item of greatest importance is "hire of freight cars." The credit to this account represents amounts receivable by an owning company for the use of its freight cars leased or interchanged, and the debit represents amounts payable by the using carrier for the use of freight cars of other carriers leased or interchanged and for the use of freight cars of individuals and companies not subject to the act to regulate commerce. Taking the carriers as a whole, the balance is always a debit. As to freight cars interchanged among carriers in the United States, the debits and credits should equal each other, but freight cars are frequently leased from individuals or companies that do not report to the commission, in which case there would be a debit with no corresponding credit. The payments made for the use of private freight cars are also a debit, with no corresponding credit. There is a large interchange of freight cars with Canadian roads and some interchange with Mexican roads; and as the roads in these foreign countries do not report to the Interstate Commerce Commission the car interchange may affect the balance either way, depending upon the ownership of the cars interchanged. There is also a negligible amount of income received by the carriers for freight cars rented to industrial concerns, logging roads, and so forth, that do not report to the commission and for which there is no corresponding debit.

Rents from locomotives and passenger cars are largely between carriers, although either the debits or credits to income may be affected by rentals received or paid to companies which do not report to the commission or at least do not report as steam roads. For example: A carrier might rent a locomotive to or from an industrial concern or a logging road, neither of which reports to the commission, or it might rent a passenger-train car to or from the Pullman Co. which does report to the commission, but not as a steam railroad. Floating equipment is perhaps generally rented from individuals or concerns other than steam railroads so that in the railroad account the balance as a whole would probably always be a debit. The amounts received and paid from the use of work equipment are of minor importance, and perhaps represent in most cases payments among steam railroads, so that the debits and credits should be approximately equal.

The Government operations will undoubtedly affect the use of equipment. The Government may send to Canada or to Mexico a greater number than usual of the cars owned by the carriers of the United States, thus increasing the rental credit, or it may so conduct operations that a greater number than usual of cars of the Canadian or Mexican roads may be used on the lines of our carriers, thus increasing the rental debit; it might require the railroads to rent a greater number of units of floating equipment or to release units now in use by the steam railroads; it might require the Pullman Co. to turn over all or certain of its cars for use by the steam railroads as their equipment rather than Pullman equipment; it might change the rate or the basis for the allowance to private freight-car owners for the use of their cars, thus affecting the amount of such payments; and it might, so far as some carriers are concerned, entirely change the movement of freight using some lines exclusively for passenger service and others for freight service.

The effect upon the total, however, is of little importance as compared with the effect upon the income of individual roads. It is conceivable and, indeed, quite probable that locomotives may be transferred from southern and western roads to eastern roads. If the item "rent for locomotives" be omitted in arriving at the standard return, the eastern roads, it would seem, will individually be required to pay a rental for such of these locomotives as they may use, and this will be an expenditure chargeable to income, for which no provision for reimbursement will have been made. The use of the locomotives, however, will not benefit the eastern carriers, because their returns from freight and passenger service will have been fixed on the results of operations during past years. In this case the eastern roads would be the losers and the southern and western roads the gainers.

In case the Government should make a freight road of one carrier and a passenger road of another, the income of these two carriers from rent of equipment might be affected in exactly opposite ways—one might be benefited and the other damaged.

It may be said with conservatism that to omit the one item of "equipment rents" from those included in determining the standard returns may result in bankrupting fairly prosperous roads, unless, of course, means be adopted to prevent the injustice that may fairly be expected to result.

JOINT-FACILITY RENTS.

It is a matter of general knowledge that the gross rental for joint facilities—facilities used in common by two or more carriers—is in part an operating expense and in part a rent proper. In some leases the contract stipulates for the use of the joint facilities at a rate per ton, per car, per mile, or some lump-sum basis, the payment including not only rent (income) but maintenance and operation as well. In other leases the contract stipulates that the income item of rents based upon a percentage rate applied to the cost of the facilities as well as to the expenses of maintenance and operation shall be divided upon a tonnage or per car basis. It is, therefore, evident that no hard and fast rule can be laid down for the separation of the rental feature from the operating feature, nor for the apportionment of the rental feature between the users of the facility. In the case of the first arrangement mentioned, the joint-facility rent is not a fixed amount nor does it appear to bear any relation to the capital invested. As a matter of fact, it is what is left after expenses have been provided for, maintenance and operation being apportioned as closely as can be determined to actual cost. The rent necessarily depends largely upon the volume of traffic handled. For this reason it should be accorded the same treatment as operating expenses and not burden the income of a road with expenses from which it will derive no revenue and, conversely, relieve the income of a road of expenses traceable to the traffic of that road.

The result in the aggregate, and consequently the amount involved in the Government guarantee will not be appreciably affected since the debits to the income of the lessee roads will practically equal the credits to the income of the lessor roads. For this reason the amount paid by the Government will not be appreciably affected if joint-facility rents are included in the standard returns. However, the inclusion will prevent many cases of injustice to carriers which might otherwise arise.

LEASED ROAD RENTS.

Some experts claim that "leased road rents" should not be included in the standard returns, for the reason that they are not a measure of the carrier's operations.

MISCELLANEOUS RENTS.

The items included in miscellaneous rents are relatively unimportant, and in most cases will not be seriously affected by Government operation. Consequently these items need not be included in the standard returns.

Thus the standard return approximates the measure of compensation to which the carriers are legally entitled and at the same time will prevent unfair discrimination in the amount of compensation to be paid individual carriers. It is also consistent with existing methods of accounting prevailing among the railroads and in the Interstate Commerce Commission and will, therefore, present little technical difficulty in ascertaining the sums to be paid under such agreements as may be made.

In the event no agreement is made the amount of just compensation due may be investigated by boards of referees who will report their findings to the President. He may then agree with any carrier upon any sum as compensation not in excess of the amount found due by the board of referees.

As already stated the provisions in the bill authorizing agreements are designed to afford a fair and speedy method of determining out of court controversies concerning compensation.

If no agreement is made based upon the findings of the referees, either the President or the carrier may institute a proceeding before the Court of Claims for the determination of the amount of compensation and in such proceeding the report of the referees is made prima facie evidence of the amount due.

Considering all the facts and circumstances, it appears that the provisions in this bill relating to the amicable adjustment of compensation due the carriers are fair to both the public and the railroads.

If the railroads had continued in private operation it is quite probable that the amount which the public would have been required to pay for transportation would have exceeded the amount that will be paid to the railroads under Federal control. I do not believe any well-informed person will assert that there existed at the time the Government took possession of the railroads any considerable probability of a substantial reduc-

tion in the early future of railroad rates. On the contrary, it appears quite probable that if the Government had not taken over the roads an increase in rates might have been made. Since the standard return represents an average for the three-year period, which embraces one lean year and two prosperous years, as to railroad earnings, it is not unfair and it does not appear likely that the railroads would voluntarily relinquish all claims for compensation or the right to have the amount of compensation due them determined by legal process, for sums manifestly less than could be recovered in court.

THE STANDARD RETURN COMPARED WITH OTHER PLANS FOR COMPENSATION.

No other plan has been suggested which, in my opinion, so nearly as the standard return meets the requirement of fairness and justness to both the public and the carriers.

AVERAGE MARKET VALUE OF RAILROAD STOCKS.

It has been suggested that the average market value of railroad stocks for a fixed period constitutes a better basis.

The evidence disclosed that the market value of railroad stocks bears little relation to the earning capacity of the roads, or, for that matter, to the value of the railroad property used for carrier purposes.

The market value of railroad stocks is influenced, if not controlled, by many other conditions. In some notable cases when the earnings of a road have been at their maximum the stocks have sold at a much lower price than at other times when the earnings have been far less.

Take another instance: When a railroad management has "skinned" the property, that is, has stinted expenditures for maintenance, depreciation, betterments, and extensions, and has declared substantially all earnings in dividends, the stocks have found high values on the markets.

Furthermore, railroad stocks, as everyone knows, have been the subject of speculation and manipulation and do not, therefore, furnish a fair or stable basis to determine the value of the use of the property upon which they are supposed to be based.

In illustration of the unfairness which would result from basing compensation upon the market value of railroad stocks I cite the testimony of Mr. Kruttschnitt, at pages 293 to 296 of the hearings. I will read a portion of his testimony.

Mr. Kruttschnitt was asked by the Senator from Iowa [Mr. CUMMINS] this question:

It is something the company can do whatever it likes with. In other words, I did not contemplate compelling the railway companies to divide their compensation among the shareholders in dividends if they did not desire to do it. We are dealing with the railway companies which own the property.

Mr. Kruttschnitt had been asked by the Senator from Ohio [Mr. POMERENE] some time previously his opinion concerning the proposal to base the compensation upon the average market value of railroad stocks, and here is his reply:

Well, it seems to us that if you impress or commandeer—which is what the Government has done—the use of these properties from the owners that you should pay a fair return on the value of the properties and not on market prices of stock, which are notoriously fickle, follow no law whatever, and are subject to violent fluctuations, sometimes for a reason that can be assigned, and more frequently for reasons that no man can assign.

The best test of the value of the use of the property which the Government takes is, of course, the return or income which the owners have been getting from it before the date of impressment, and my views yesterday were directed to that feature of compensation. Now, if you take the commission's estimates or statements to this committee of the market value of stocks, over a certain period which they worked up, I think, at your request—

Senator CUMMINS. In that respect I hope Mr. Kruttschnitt will take into account the fact that the total furnished by the commission is of comparatively little value, because for the three years that it names it simply takes the high point and the low point for the year and makes an average of the two. A fairer average of the market value of stock would require an enlarged basis.

Mr. KRUTTSCHNITT. Quite right. I did not know how it was arrived at. I simply got it off these statements. If they are not reliable, I do not think it is worth while to waste any of the committee's time in argument on it, except to say if they had been reliably gathered, and if they had multiplied the total bonds and stock issued by these prices, you would have gotten for the years in question—which I think were 1912, 1916, and 1917—values which were highest in 1912, lower in 1916, and still lower in 1917. In the interval values of the property have increased largely from 1912 to 1917. In other words, making the multiplications, you will find that the valuation of the properties derived from the multiplication of the average cost of stocks and bonds by their amounts would represent \$1,600,000,000 less in the latter period than the former; yet in the interim \$2,000,000,000 more money has been put into the property, so it shows how misleading such a plan of deducing value would be.

In answer to a further question Mr. Kruttschnitt made this statement:

Now, to take some concrete examples, I will cite Southern Pacific stock, as it is our own stock, and I am more familiar with it than any other. Southern Pacific stock sold about 10 years ago at its maximum, which was \$128 or \$130. It sold a couple of weeks ago at \$75, a fall of 55 points—\$55 a share.

In the same period the Southern Pacific Co. put \$400,000,000 of new money—actual cash—into its property.

Senator POMERENE. In what period?

Mr. KRUTTSCHNITT. In about 10 years; and increased its property values by about 50 per cent.

Senator POMERENE. What do you mean by that?

Mr. KRUTTSCHNITT. I mean that, using approximate figures of 10 years ago, the property values of the Southern Pacific properties were \$800,000,000 and to-day about \$1,200,000,000. Now, the actual cash put in the property increased about 50 per cent, and the market quotations of the stock fell 55 points on 130—that is, 42 per cent. The money put in the property increased 50 per cent, and the market value of the stock decreased 42 per cent.

Further on he made this statement, after reading which I will proceed with my argument:

I cite that to show that without any increase in the amount of stock the market quotations have little or nothing to do with the intrinsic value. Remember, market quotations apply to a very small fraction of the stocks of conservative companies. There is a certain amount floating around that is bought and sold, but the great mass of the stock of the companies is held for investment and is not on the market. The price would no doubt be very different if the entire stock were on the market.

Mr. Kruttschnitt is one of the best informed men concerning railroad matters and especially railroad finances in the United States.

Another plan which is merely a modification of that just discussed is that the Government should pay to the carriers the amount of interest on their indebtedness and their regular dividends. The objection to this plan is threefold. It would not be acceptable to the railroads. Few, if any, agreements would be made under it, and the whole subject matter would be remitted to the courts. As I have already said, it is useless to authorize agreements that will not be made, and it is the part of wisdom to permit agreements that ought to be made and probably will be entered into.

This objection of itself, if well founded, is of course conclusive.

However, a second objection exists in the fact that this plan would penalize conservative railroad management and capitalize or place a premium on reckless railroad financing. Managements which have strained every effort to pay dividends, carriers which have been negligent in the matter of improvements, additions, equipments, extensions, and maintenance in order to pay large dividends would receive more compensation than others which have been properly managed and, while only declaring small dividends, have kept up, improved, and extended their properties.

In the third place I think this proposition is open to the objection that it makes no adequate provision for the future as to maintenance.

Of course it could be modified so as to embrace a guaranty for adequate maintenance, but that is not contemplated in the proposition as submitted.

A representative of the railroad brotherhoods suggested that the compensation contemplated in the standard return provided for in this bill be paid until the Interstate Commerce Commission could determine the actual investment of the property for carrier purposes, and that when the commission had determined the same compensation be based upon a reasonable percentage of this investment.

It is to be noted that this proposition recognizes and accepts for temporary purposes the standard return. Mr. Prouty, who has had the direction of the valuation of the physical properties of railroads, stated to the committee that it would probably be three years before the work as to any of the carriers would be finally determined. This fact, of course, renders the suggestion inapplicable at present. Moreover, it involves a very important controversy concerning which there exists very great difference. The committee did not deem it advisable to inject into this bill the long-standing and far-reaching dispute concerning what constitutes the correct basis of value as to railroad property and as to railroad rates.

The total amount of compensation which the President is authorized to agree upon with the carriers under the provisions of this bill can not be definitely stated for two reasons: First, it is not yet known what carriers will be retained under Federal control; and second, we can not now determine what amounts may be paid to roads under agreements made between the carriers and the President in exceptional cases.

The Senator from Minnesota [Mr. KELLOGG] has, however, stated the total amount which the President is authorized to agree upon with all the carriers as accurately as the subject is capable of being stated. It is as follows:

Net railway operating income for class 1 roads.

1915	\$683,104,833
1916	984,872,959
1917	1,020,800,000
Average	896,259,264

The Interstate Commerce Commission has made an estimate which will bring this total, if all roads in classes 2 and 3 are embraced in the agreement, to \$935,000,000, approximately \$100,000,000 less than the amount received by them in 1917. The commission also estimates investments by the carriers in their property made during the period between June 30 and December 31, 1917, at \$130,403,315. If the President should fix the rate at 5 per cent this would amount to \$6,500,000, making the total \$941,500,000. After deducting interest on debt, war taxes must be deducted to find the amount available for dividends.

THE BRITISH PLAN OF COMPENSATION TO RAILROADS WHILE UNDER GOVERNMENT CONTROL.

In criticizing the authorization in this bill for agreement as to compensation as too favorable to the railroads the Senator from Iowa [Mr. CUMMINS] made a comparison between the British plan for compensation to railroads while under Government control and that contemplated in this bill.

I was so astonished at some of the statements which he made that I asked for a copy of the notes of his remarks.

On page 33 of these remarks, as submitted to me by the official stenographer, the Senator from Iowa is quoted as making the following statement:

There was no agreement made between the Government of Great Britain and the railroads of Great Britain. No one suggested making any agreement between the public and these railway companies.

In answer to a question of the Senator from Indiana [Mr. WATSON], if shortly after the taking over an agreement was not arrived at as a basis of compensation, the Senator from Iowa [Mr. CUMMINS] made the following statement:

No; as I understand the record made there, and as it was introduced before our committee, the consent of the railway companies of Great Britain with regard to compensation was not asked. The act of 1871, under which the Government took possession of the railroads in 1914, was not substantially different from our act of 1916, and made no provision for compensation other than the general statement that when the power exercised under it did take place the compensation was to be made. When on the 4th day of August, I believe, 1914, the council in Great Britain determined it was necessary to take over the railroads and they were taken over and the operating body, the directors appointed by the law and who were in existence at the time they were taken over, simply published a statement that for the week following—and I want to mark that, because it is one of the things that we will presently have to consider in this bill—for one week the Government would take over the railroads of the country and would pay or guarantee the net income for 1913. That is, guarantee the net income that was earned in 1913, with some modifications that were to be made by consideration of the earnings for the first six months or seven months of 1914.

This statement is totally at variance with the record as I understand it. I have before me a copy of the British act entitled "The regulation of the forces act, 1871." In section 16 of that act there is a clause expressly authorizing agreements between the Government and the carriers as to compensation. I will read the provision:

There shall be paid to any person or body of persons whose railroad or plant may be taken possession of in pursuance of this section, out of moneys to be provided by Parliament, such full compensation for any loss or injury they may have sustained by the exercise of the powers of the secretary of state under this section as may be agreed upon between the said secretary of state and the said person or body of persons, or, in case of difference, may be settled by arbitration in manner provided by the lands-clauses consolidation act, 1845.

So, in answer to the assertion of the Senator from Iowa that no agreement was asked and no agreement was authorized in that statute, I read the statute itself. It is not only true that the act authorized agreements as to compensation, but on September 15, 1914, it was announced that the Government and companies had come to an agreement.

This agreement, although amended six months later, and again modified in certain important respects, is still the basis of the financial arrangement between the Government and the railroads.

THE TERMS OF THE AGREEMENT.

The terms of the agreement are briefly stated as follows:

His Majesty's Government have agreed with the railway companies concerned that, subject to the undermentioned conditions, the compensation to be paid them shall be the sum by which the aggregate net receipts of their railways for the period during which the Government are in possession of them shall fall short of the aggregate net receipts for the corresponding period of 1913. If, however, the net receipts for the first half of 1914 were less than the first half of 1913, the sum payable is to be reduced in the same proportion. This sum, together with the net receipts of the railway companies taken over, is to be distributed amongst those companies in proportion to the net receipts of each company during the period with which comparison is made.

The compensation to be paid under this arrangement will cover all special services, such as those in connection with military and naval transports rendered to the Government by the railway companies concerned, and it will therefore be unnecessary to make any payments in respect to such transports on the railways taken over.

In addition to the net receipts of railways proper the Government guaranty extended to the net receipts of six classes of enter-

prises when owned by railway companies included in the agreement. These six classes all follow:

First, omnibuses and other passenger vehicles not running on a railway.

Second, steamboats.

Third, canals.

Fourth, docks, harbors, and wharves.

Fifth, hotels, restaurants, refreshment rooms, and cars.

Sixth, other separate business carried on by the companies.

Thus it will be seen, the statement of the Senator from Iowa to the contrary, that the law of Great Britain did authorize an agreement between the railway companies and the Government touching the compensation. It will also be observed, notwithstanding the statement of the Senator from Iowa, that the agreement was in fact entered into, and under the terms of that agreement the Government not only guaranteed, with certain modifications, the net income of the railroads for 1913, which was the best year they had ever known, but it also guaranteed six other classes of business which had no immediate relationship to the carrier business.

I repeat, it is apparent that under the agreement entered into by the British Government with the carriers immediately after they were taken over the Government not only guaranteed the net income for the year 1913 as modified by the comparison with a portion of the year 1914, but it also guaranteed noncarrier business of six classes in which the railroads were engaged, including hotels, refreshment rooms, and cars. In addition to this the Government received free transportation of troops and supplies and assumed the payment of 25 per cent of the bonus to railroad employees. I have not undertaken to work out a comparison between this British guaranty and the guaranty contemplated in this bill, but it is perfectly apparent that the statements of the Senator from Iowa to the effect that no agreement was entered into between British railroads and the British Government is error.

Mr. CUMMINS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. I did not say that the law of 1871 did not authorize an agreement. It not only authorized an agreement, but it provided a tribunal for determining differences in case no agreement is made. I did say that the compensation was fixed by the Government without an agreement. I may have been in error in that statement, although I understood it to be true at the time I made it. What was in my mind was that immediately after the 4th day of August, when the British Government took possession of the railroads, it promulgated the basis of the compensation that it would pay to the railroads, and there was no agreement at that time. I had not seen the document which the Senator from Arkansas is now reading at the time I made the statement, but it is quite apparent from its terms that there did finally come an agreement between the Government and the railroads that embodied the order which was originally made. In so far as I am quite willing to acknowledge the error of my statement.

Mr. NORRIS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. I am interested to know what was the actual compensation fixed. The Senator refers to a particular year. What was the dividend paid during that year?

Mr. ROBINSON. I am going to discuss that. It follows as a logical sequence to what I have just referred, and if the Senator will permit me, I will take it up in the order I had intended. It will be only two or three minutes before I reach it, if that long.

It may be mentioned in this connection that the railroads of Great Britain are standardized; that dividends and interest rates are lower in Great Britain than in the United States; and that the British guaranty can not furnish a reliable basis of comparison as to what should be the guaranty in the United States.

Now I am coming to the point that the Senator from Nebraska [Mr. NORRIS] has just asked me about. I am going to discuss now briefly dividends under British control.

DIVIDENDS UNDER BRITISH CONTROL.

On page 49 of the stenographer's notes of his remarks the Senator from Iowa [Mr. CUMMINS] made this further statement with respect to dividends paid under British control of railways:

Great Britain is now paying on an average of 4 per cent upon the railway bonds and $3\frac{1}{2}$ per cent upon the railway stock.

It is not my purpose to undertake an analysis of the British system of control of railroads, but if an argument against this bill is based upon the practice of our ally concerning the operating of railroads by public authority, it is essential that the material facts upon which that argument is based be accurately stated.

The proviso in the agreement as to compensation providing for a proportionate reduction of the amount to be paid by the Government to the railways of the net receipts of the companies for the first half of 1914 were less than the net receipts of the first half of 1913 was withdrawn January 1, 1915. Thereafter the sum which the Government guaranteed the companies as net receipts were to be equal to their aggregate net receipts for 1913, subject to a deduction amounting to one-fourth of the first general bonus.

Subsequently the Government made a concession in a supplementary agreement providing for the payment to the railways as from August 4, 1914, of interest at the rate of 4 per cent upon capital expended upon new works that have been brought into use since December 31, 1912.

In Great Britain the Government not only guaranteed a reasonable per cent on the money invested in the railroads after the beginning of the war but it extended its guaranty back to the 1st of January, 1913, or December 31, 1912.

Early in 1916 the Government made a concession and acknowledged its liability in respect of such maintenance work as in the ordinary course of events would have been undertaken, but which, owing to the war, was being deferred. The Government finally conceded its liability not only for what the deferred maintenance work would cost at ordinary prices but for the probable increased cost of the work occasioned by higher prices of labor and material.

Thus it is to be seen that the agreement is not fully stated when it is merely expressed as a guaranty of the income for 1913, the Government in effect guaranteeing a much larger sum. The agreement was understood by the public to guarantee the net receipts of the railroads for the year 1913, and it was regarded by the railroads as liberal for the reason that 1913 had been a "banner year," marking "the high level of prosperity" in railroad operations.

The Government of the United States contemplates taking in this bill as the basis of its standard return the average annual railway operating income for a three-year period, which embraces one lean and two fat years as to railroad operations. The Government of Great Britain based its standard return, if you will call it that, upon the net income for the most profitable year the railroads of Great Britain had ever known. This guaranty resulted in a falling off of dividends as to the 25 principal railroads of Great Britain.

As to the average dividend paid in 1913 by these railways—and I am talking now only of the 25 principal railways of Great Britain; as to other roads, I have not the figures, except as they are embraced in the table presented this morning by the Senator from Iowa, which I assume to be correct—but speaking now of the average dividends for the 25 principal railways of Great Britain, the average paid in 1913 is said to have been 5.06; in 1914, 4.65; in 1915, 4.60; and in 1916, 4.65 per cent. The reduction in dividends was due in part, at least, or in some cases, to the necessity for strengthening reserves.

While the net receipts of the 25 companies in 1916 show a marked advance over the preceding year the dividends paid were substantially the same, the increase in net receipts being absorbed by increasing the reserve.

Notwithstanding that the prices of British railway stocks had fallen off during the four-year period preceding the war and were unusually low during the conflict the prices of these stocks have substantially declined since the summer of 1914.

Considering the fact that the British railroads are capitalized at approximately \$300,000, while American railroads are capitalized at something like \$62,000 per mile, and having in mind the further facts that British railroads have long been standardized, and that interest and dividends are considerably lower in Great Britain than in the United States, no fundamental objection in principle can be urged against the plan in this bill to guarantee the average annual operating income for the three-year period ended June 30, 1917, as compared with the British plan guaranteeing the net receipts of the railways for 1913 with certain modifications.

Every Senator understands that under our Constitution the power of Congress does not extend to the determination of the question of the amount of just compensation and that no provision of law can deprive the owners of railroad property of the right to have a judicial determination of the amount due them. We can impose increased burdens of taxation, and if the war continues this will probably occur. However much we may admire the spirit of liberality and however anxious we may be to encourage all persons and all industries to voluntarily contribute to the common welfare in this period of emergency, we can not require the owners of property to devote it to the public use for less than its actual value. Our obligation under the Constitution is to provide for the payment of such sums as will reimburse the owners of the property for the injury which they

will sustain by reason of the Government use of their properties.

The maximum which the railroads claim would be the receipts for 1917. Their representatives have insisted that the standard of compensation as proposed is unfair and inequitable in that it is based upon the operating revenues for the year 1915, which was undoubtedly an abnormal and unprofitable year as to railroad operations. Nineteen sixteen and seventeen were very profitable years. It would be of great value to the railroads to be relieved from the possibility of misfortune and a consequent loss of revenues and the decline in the value of their securities. And to obtain this boon they should, of course, be willing to relinquish some part of the maximum claim which might be asserted.

It seems clear that while the standard of compensation authorized in this bill permits a reasonable and generous latitude to the President in making agreements with the railroads, it will also give him the power to safeguard the public against injustice and extortion in individual cases where to grant the maximum might prove excessive. The President will not make agreements which he regards as subservient of the public interest and the discretion to refuse to enter into an agreement and thus to remit the carriers to the courts for remedy will enable him to make adequate provision for the protection of the public interest in exceptional cases which Congress can not take notice of because of lack of time and the necessary information.

That I understand is the policy of the Director General.

Mr. President, repeatedly during the course of his remarks, the Senator from Iowa referred to the fact that the question as to what compensation shall be paid to the railroads by the Government for the taking and use of their property during the period of Federal control will be and must be finally determined in another forum. He suggested in his remarks to the Senator from Missouri [Mr. Stone] that the Senator from Missouri would have an opportunity to answer to the people of Missouri and the people of the United States for his consenting to this guarantee of the standard return.

Mr. President, questions as to what constitutes due compensation are not under our system of Government tried by elections. The Senator from Iowa is a great lawyer, and he knows that they are not. Questions as to what constitutes due compensation under the Constitution of the United States are determinable in the courts of the country. The Senator from Iowa ought not to try to intimidate Senators in the discharge of their duties in attempting to arrange a fair provision for agreement by threatening them with carrying this subject into politics.

But I say to the Senator from Iowa that I think he is wrong. I think he is insisting on writing into this bill terms authorizing an agreement that will not be accepted. I think if the standard he proposes be written into the law the whole subject will be made the matter of litigation.

So far as I am concerned, I think I am doing right, and I am ready to accept his challenge whenever he throws the gauntlet before me. It would be unfair to submit in an election the question of just compensation to voters who have to pay that compensation. There is not a judge, there is not a lawyer in the world who would not recoil with amazement from such a suggestion.

I propose in this instance to do my duty as I see it to the public, and I think I am doing that when I am arranging for them to receive transportation during this war period for less than it would cost them during a time of peace, notwithstanding the fact that the cost of materials has risen and that the labor wage has risen and will continue to rise. Under the terms of this agreement the public will receive transportation for less than they were paying before the war began, and that is the answer to the argument of the Senator from Iowa.

Mr. THOMAS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Colorado.

Mr. THOMAS. I have listened to the Senator's argument with a great deal of interest, but it seems to me that it assumes that all of the great roads or railroad systems that are to be taken over by the Government have been profitable within the years that are fixed as the standard for just compensation.

Mr. ROBINSON. No.

Mr. THOMAS. What I want to ask the Senator is his view as to the effect of this proposed standard of compensation upon railroads or railroad companies which in this interval were either in the hands of receivers or operated without any profit whatever.

Mr. ROBINSON. Mr. President, in reply to the question of the Senator from Colorado, I will state that there is a provision in the bill which authorizes the President to make any agreement he chooses in case he finds that the condition of any non-

dividend-paying carrier, as the bill is now written, was so exceptional during the whole or a substantial portion of the three-year period by reason of nonoperation, receivership, or the fact that the investments in property were not fairly reflected in the operating revenue or for any other abnormal cause. The provision is very broad. If the President finds that by reason of any of those things the standard of return provided for in the bill is plainly inequitable as a means of just compensation to such roads, he is, I say, authorized to make any agreement that he chooses with that road.

Mr. THOMAS. I do not recall that provision in the copy of the bill which I have.

Mr. ROBINSON. It is in the bill, I say to the Senator.

Mr. THOMAS. I am not questioning that.

Mr. ROBINSON. I will read it.

Mr. THOMAS. I do not recall it in the copy of the bill that I read last night.

Mr. ROBINSON. It is on page 5 of the bill, commencing with line 1, and I will read it:

If the President shall find that the condition of any nondividend-paying carrier was during all or a substantial portion of the period of three years ended June 30, 1917, because of nonoperation, receivership, or where recent expenditures for additions or improvements or equipment were—

I read it "were"; it is printed in the bill "when"—

not fully reflected in the net operating railway income of the said three years or a substantial portion thereof, or other undeveloped or abnormal conditions, so exceptional as to make the basis of earnings, hereinabove provided for, plainly inequitable as a fair measure of just compensation, then the President may make with the carrier such agreement for such amount as shall constitute compensation as under the circumstances of the particular case he shall find just.

Mr. CUMMINS. Mr. President—

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. The paragraph just read by the Senator from Arkansas relates only to nondividend-paying carriers, and gives the President with regard to those railroads the authority to pay more than the standard return described in the bill.

Mr. ROBINSON. And also the authority to pay less.

Mr. CUMMINS. It was intended to give him the authority to pay more.

Mr. ROBINSON. Yes; certainly; or to pay something where nothing had been received during the three-year period.

Mr. CUMMINS. Precisely.

Mr. ROBINSON. Those that have not been in operation, of course, would not have any standard return.

Mr. CUMMINS. I have no objection to that; I think that is a very wise provision, because there are many railroads concerning which the standard return would not be just compensation. I think that all were convinced of that; and my remarks, of course, were devoted entirely to the other class of railroads.

Mr. ROBINSON. I will state to the Senator from Iowa that that is the reason that I have laid no emphasis on the provision to which the Senator from Colorado has referred. I, too, was confining my remarks principally to the provision the Senator from Iowa discussed.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. While the Senator is on that subject, I should like to inquire, if some road should not come under the provision the Senator has read, but still was paying a dividend that was so small that anybody could see that it was inadequate, what provision does the bill make for payment in such a case; for instance, if a road, instead of being a nondividend-paying road, is paying 1 per cent, which everyone concedes is not enough?

Mr. ROBINSON. No roads have done that. I will say to the Senator from Nebraska that the record does not disclose that there are any roads within that class. The committee proceeded upon the theory that the railroads might very well be divided into two classes in respect to dividends, namely, dividend-paying roads; that is, those roads which pay what is called a regular dividend and nondividend-paying roads—roads which do not pay any regular dividend.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Utah?

Mr. ROBINSON. I yield to the Senator from Utah.

Mr. KING. As I understand the Senator, there is no purpose on the part of the committee in this proposed legislation to transmute a road which pays an irregular and a small dividend into a regular dividend-paying road, or, at least, to give that road the same compensation as would be given to roads

that had been making large earnings and had been paying dividends in a regular way?

Mr. ROBINSON. Oh, certainly not. The clause that I have just read, in response to the question of the Senator from Colorado, was designed to meet cases where the subject matter would have to be litigated, unless some provision of that sort were inserted. There are many roads, for instance, that were not operated for a substantial portion of the three-year period. There are others that are just beginning operations; there are a number that have been in receiverships, where the standard would not be applicable for many reasons that are recognized, and the purpose of the provision is to enable the President to agree with the roads that are in an exceptional class and that can not for one reason or another accept the standard return. Of course, as to a road that has been operating at a loss, if such there be, the Government, if it takes the property, would have to pay something, and the President is given the power to determine that.

Mr. SMITH of South Carolina. Mr. President—

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. I think, before the Senator from Arkansas passes from the argument in favor of the action of the committee in fixing the standard return, that attention ought to be called to the fact that the statistics show that the standard return we propose to give the roads is practically the return they received under the rates which were in operation before the war began.

Mr. ROBINSON. I have said that; I have argued that at length. I have alleged that the standard return is based upon the revenue that they earned under governmental regulations fixed by the Interstate Commerce Commission. I went into that subject very fully, as I thought.

Mr. KING. The Senator did so at the outset of his remarks.

Mr. SMITH of South Carolina. Probably I was diverted for a few moments or was compelled to leave the Chamber for a short while.

Mr. ROBINSON. I think if the Senator will take the trouble to read the portion of the remarks I made while he was out he will find it.

Mr. President, I am very grateful to Senators for the very courteous attention with which they have listened to me concerning this subject. It is a difficult one. If one were to follow his natural disposition, it would probably be to pay the railroads just as little as possible, but, under my oath as a public officer and in consideration of what I conceive to be my duty, I must not attempt willfully to deprive the railroads of what they are entitled to, and at the same time I must not seek to impose upon the public an unfair burden.

The supreme crisis which now confronts civilization will probably be passed within the next six months. Every student must recognize the necessity for marshaling our resources and more forcefully applying our energies. Along almost 500 miles of battle front a conflict will likely soon begin which may determine the fate of civilization.

The railroads of the country are a material and necessary factor in the successful prosecution of this war on the part of the United States. We must operate them during the war under unified control; we must speedily hasten to France the troops and supplies which are necessary to enable us successfully to maintain this combat. This measure is a part of the administration war program. It has been found necessary in the public interest, and the administration and the public await with anxiety the final disposition of this bill.

Mr. CUMMINS. Mr. President, there are two statements made by the Senator from Arkansas to which I desire to make a very brief reply. He has questioned the propriety of a remark which I made more than once during the course of my argument respecting the character of the issue which we are now settling. I hope the Senator from Arkansas did not understand that I even intimated that a settlement of this question by the courts or through legal proceedings was subject to review in a political forum. I tried to make it very clear that I desired full compensation to be paid to the railway companies, and that the best way in the world to ascertain what that compensation is, or ought to be, was by resort to legal tribunals, and that with the result or with the award that might be made by these tribunals every good citizen of the land must be content, and by them he must abide. The suggestion I made was with regard to agreements concerning compensation, and that presents a political question—not a partisan but a political question. The wisdom or unwisdom of making a particular agreement with the railway companies concerning compensation is one which belongs to the people of this country, and they will finally settle it. I did not assume, of course, that the conclusion reached by any Senator or the vote cast by any

Senator would be influenced by anything save his own conscience and his own judgment. I have so high an opinion of the discrimination of the Senator from Arkansas that I wanted to make that distinction perfectly clear. I know that he must appreciate the difference between the two things.

In the second place, he has stated several times that the system of rates under which the earnings of the railway companies of the United States had been accumulated in the last three years is a system of rates established by the Government. I can not concur in that statement; it is, in my judgment, inaccurate. The Government has never established a system of rates; the Government has the power, through the Interstate Commerce Commission, to revise, upon complaint or upon its own motion, rates which have been initiated and established by the carriers. It has no further or other power in that respect, and the Interstate Commerce Commission has not at any time established the generally prevailing rates for the movement of commodities throughout the United States. It has passed from time to time upon complaints, either upon the part of a shipper or some one else interested, upon the reasonableness of certain rates, and it has passed from time to time, upon the application of the railway companies, upon the propriety of an increase in certain rates; but it is not accurate to declare that the rates which have been established and which have been effective in the United States have been established by the judgment of the Government. They have been established by the judgment of the carriers, subject only to revision, under proper circumstances, by the commission.

EXECUTIVE SESSION.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

PETITIONS AND MEMORIALS.

Mr. THOMPSON presented a petition of Reno Post, No. 83, Grand Army of the Republic, Department of Kansas, of Nickerson, Kans., praying for an increase in the pensions of veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a petition of the Board of Medical Registration and Examination of the State of Kansas, praying for the enactment of legislation to provide for the creation of advanced rank for the Medical Corps of the Army, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Retail Merchants' Association, of Osawatomie, Kans., remonstrating against the repeal of the second-class postage rate, which was referred to the Committee on Post Offices and Post Roads.

Mr. GRONNA. I present a concurrent resolution of the special session of the Fifteenth Legislative Assembly of the State of North Dakota, which I ask may be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

STATE OF NORTH DAKOTA,
DEPARTMENT OF STATE,
February 11, 1918.

To all to whom these presents shall come:

I, Thomas Hall, secretary of state of the State of North Dakota and keeper of the great seal thereof, do hereby certify that the annexed copy of a concurrent resolution duly and regularly adopted by each branch of the Fifteenth Legislative Assembly of the State of North Dakota, as appears from the official journal of the house and senate of the said legislative assembly, has been compared by me with the official journal of the house and senate of the said legislative assembly in this department, and that the same is a true copy thereof, and of the whole of such record.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State at the capitol, in the city of Bismarck, this 11th day of February, A. D. 1918.

[SEAL.]

THOMAS HALL,
Secretary of State.

Joint resolution. (Introduced by J. F. T. O'Connor, of Grand Forks.)

Whereas the House of Representatives of the United States has passed a proposed amendment to the Constitution of the United States extending equal suffrage to the women of our Nation; and
Whereas the proposed amendment is now before the Senate of the United States for consideration; and

Whereas all the political parties in the State of North Dakota have declared in their platforms for equal suffrage; and
Whereas equal suffrage has been indorsed by the President of the United States: Therefore be it

Resolved by the House of Representatives of the State of North Dakota (the Senate concurring therein), That our Senators in Congress be urged to vote for the equal suffrage amendment; and be it further

Resolved, That copies of the resolution be sent to our Senators and Representatives in Congress, to the President of the United States, and to the Secretary of State for the United States of America.

Mr. GRONNA. I present a concurrent resolution of the Fifteenth Legislative Assembly of the State of North Dakota, which I ask may be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

STATE OF NORTH DAKOTA,
DEPARTMENT OF STATE,
February 11, 1918.

To all to whom these presents shall come.

I, Thomas Hall, secretary of state of the State of North Dakota and keeper of the great seal thereof, do hereby certify that the annexed copy of a concurrent resolution duly and regularly adopted by each branch of the special session of the Fifteenth Legislative Assembly of the State of North Dakota as appears from the official journal of the house and senate of the said special session has been compared by me with the official journal of the house and senate of the said special session of the Fifteenth Legislative Assembly in this department, and that the same is a true copy thereof and of the whole of such record.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State at the capitol in the city of Bismarck, this 11th day of February, A. D. 1918.

THOMAS HALL,
Secretary of State.

Concurrent resolution introduced by woman's suffrage committee—a concurrent resolution to the Federal Congress and the Senators and Representatives therein from the State of North Dakota concerning the Susan B. Anthony national amendment.

Be it resolved by the Senate of North Dakota (the House of Representatives concurring therein), as follows:

Whereas there is now pending before the National Congress of the United States an amendment to the Federal Constitution known as the Susan B. Anthony national amendment; and

Whereas the Legislative Assembly of the State of North Dakota believe that the same should be submitted to the States of this Union as an amendment to our Federal Constitution: Now, therefore, be it

Resolved, That the State of North Dakota, through its legislative assembly, does herewith respectfully petition and urge the National Congress of the United States to favorably consider and early approve the said Susan B. Anthony national suffrage amendment; and be it

Resolved, That the secretary of state be instructed to send a copy of these resolutions to the Senators and Representatives of the State of North Dakota in Congress.

Mr. PHELAN presented a petition of Labor Council of San Francisco, Cal., praying for an increase in the salaries of all civilian employees of the Government, which was referred to the Committee on Appropriations.

Mr. CALDER presented a petition of the Alumnae Association of Vassar College, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

Mr. KELLOGG presented a petition of sundry citizens of St. Paul, Minn., praying for the repeal of section 209 of the war-revenue act, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. PHELAN, from the Committee on Irrigation and Reclamation of Arid Lands, to which was referred the bill (S. 758) to increase the productive agricultural area of the United States by the reclamation of arid and swamp lands, reported it with amendments and submitted a report (No. 271) thereon.

Mr. ASHURST, from the Committee on Indian Affairs, to which was referred the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919, reported it with amendments and submitted a report (No. 272) thereon.

He also, from the same committee, to which was referred the bill (S. 279) authorizing the Secretary of the Interior to issue patents in certain cases to missionary or religious organizations, reported it without amendment and submitted a report (No. 273) thereon.

Mr. MYERS, from the Committee on Military Affairs, to which was referred the bill (S. 921) for the relief of James Duffy, reported it without amendment and submitted a report (No. 274) thereon.

Mr. CHAMBERLAIN, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3802) authorizing appropriations made for the national security and defense to be used for the purchase of real estate, or the use thereof, when such purpose is not specifically stated in said appropriations (Rept. No. 275);

A bill (S. 3800) to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes (Rept. No. 276);

A bill (S. 3803) authorizing the President during the existing emergency to sell war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States (Rept. No. 277);

A bill (S. 3801) to amend section 8 of "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917 (Rept. No. 278);

A bill (S. 121) to prevent the desecration of the flag of the United States, and to provide punishment therefor (Rept. No. 279); and

A bill (S. 3528) to suspend for the period of the present emergency sections 45, 46, and 56 of an act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes," approved June 3, 1916, and for other purposes (Rept. No. 280).

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POINDEXTER:

A bill (S. 3872) appropriating the sum of \$2,000, to be used under the direction of the Yakima Tribal Council for expense in presenting Indian matters to the Government officials in Washington City or in the employment of attorneys to assist them in securing information relative to tribal rights and property; to the Committee on Indian Affairs.

By Mr. HALE:

A bill (S. 3873) granting a pension to Isabel Wardwell (with accompanying papers); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 3874) providing medals for certain persons; and
A bill (S. 3875) for the promotion of Col. William A. Simpson, United States Army, retired; to the Committee on Military Affairs.

A bill (S. 3876) granting a pension to Jennie Magee; and
A bill (S. 3877) granting a pension to Leonora Forney; to the Committee on Pensions.

By Mr. JOHNSON of California:

A bill (S. 3878) to fix the compensation of certain employees of the United States; to the Committee on Appropriations.

By Mr. HENDERSON:

A bill (S. 3879) for the relief of the Overland Trust & Realty Co., of Reno, Nev.; to the Committee on Public Lands.

A bill (S. 3880) to extend the franking privilege to the officers of State councils of defense; to the Committee on Post Offices and Post Roads.

By Mr. MYERS:

A bill (S. 3881) to provide for the sale of isolated tracts of enlarged-homestead land; to the Committee on Public Lands.

By Mr. SUTHERLAND:

A bill (S. 3882) for the relief of Killian Delabar; to the Committee on Claims.

A bill (S. 3883) granting a pension to Harrison Pierson; to the Committee on Pensions.

A bill (S. 3884) to regulate the salaries of fourth-class postmasters; to the Committee on Post Offices and Post Roads.

GRAND CANYON NATIONAL PARK.

Mr. ASHURST submitted an amendment intended to be proposed by him to the bill (S. 390) to establish the Grand Canyon National Park in the State of Arizona, which was referred to the Committee on Public Lands and ordered to be printed.

THE COMMITTEE ON THE CENSUS.

Mr. SHEPPARD submitted the following resolution (S. Res. 206), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Census of the United States Senate be, and it is hereby, authorized to employ an additional clerk, at the rate of \$100 per month, to be paid out of the miscellaneous items of the contingent fund of the Senate, for a period lasting until the end of the present session of the Congress.

ADDRESS BY BAINBRIDGE COLBY.

Mr. FLETCHER. Mr. President, I have a copy of a very impressive address by Mr. Bainbridge Colby, a member of the Shipping Board, on the rapid and continued construction of merchant vessels. I ask that it be referred to the Committee on Printing with a view to having it printed as a public document.

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Without objection, it will be so ordered.

WOMAN SUFFRAGE.

Mr. THOMPSON. I present in the form of a petition a short editorial appearing in the Washington Evening Star regarding woman suffrage. I ask unanimous consent that it may be printed in the RECORD, to be considered in connection with that important subject when the resolution providing for the submission of the national amendment is before the Senate for final action.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MOVING TOWARD SUFFRAGE.

Both of the national committees having declared in favor of Federal woman suffrage, the two parties stand aligned on this issue on equal terms. The other day the executive committee of the Democratic Party voted 5 to 2 in favor of suffrage, while a poll of the full national committee showed 28 for and 14 against the Anthony amendment and 6 unreported. The Republican national committee at St. Louis has just adopted a resolution virtually to the same effect, commending the votes of these Republican Members of the House who favored the amendment. These declarations must have an effect upon the Senate, which is soon to vote on the proposed constitutional amendment. Converts to the cause are being reported from time to time, though not identified, for the campaigners for the women's cause are shrewd enough to keep their "captures" undisclosed to prevent pressure from the other side. It is known that the situation is very close, and the fact that no move is being made at present to bring the resolution to a vote suggests that its advocates are not quite sure of having yet the necessary two-thirds. Suffrage, however, can not be indefinitely postponed. It is bound to win eventually, so why not now?

BUREAU OF EFFICIENCY (H. DOC. NO. 901).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Senate and House of Representatives:

As required by the acts of Congress approved March 4, 1915, and February 28, 1916, I transmit herewith the report of the United States Bureau of Efficiency for the period from November 1, 1916, to October 31, 1917.

WOODROW WILSON.

THE WHITE HOUSE, 16 February, 1918.

ADJOURNMENT.

Mr. MARTIN. I move that the Senate do now adjourn.

The motion was agreed to, and (at 3 o'clock and 20 minutes p. m.) the Senate adjourned until Monday, February 18, 1918, at 12 o'clock m.

NOMINATIONS.

Executive nominations received by the Senate February 16 (legislative day of February 15), 1918.

CONSULAR SERVICE.

CLASS 8.

Ralph H. Bader, of Virginia, now vice consul and interpreter at Teheran, to be a consul of class 8 of the United States of America.

Thomas H. Bevan, of Maryland, now a consular assistant, to be a consul of class 8 of the United States of America.

William W. Brunswick, of Kansas, now vice consul at Havre, to be a consul of class 8 of the United States of America.

Algar E. Carleton, of Vermont, now vice consul at Hongkong, to be a consul of class 8 of the United States of America.

Felix Cole, of the District of Columbia, now vice consul at Archangel, to be a consul of class 8 of the United States of America.

Harris N. Cookingham, of New York, now vice consul at Barcelona, to be a consul of class 8 of the United States of America.

Paul H. Cram, of Maine, now vice consul at Cetta, to be a consul of class 8 of the United States of America.

Raymond S. Curtice, of Pennsylvania, now vice consul and interpreter at Seoul, to be a consul of class 8 of the United States of America.

J. Preston Doughten, of Delaware, now vice consul at Calcutta, to be a consul of class 8 of the United States of America.

Stillman W. Eells, of New York, now vice consul at Hamilton, Bermuda, to be a consul of class 8 of the United States of America.

John A. Embry, of Florida, now vice consul at Odessa, to be a consul of class 8 of the United States of America.

Robert W. Harnden, of California, now vice consul at Seville, to be a consul of class 8 of the United States of America.

Samuel W. Honaker, of Texas, now vice consul at Johannesburg, to be a consul of class 8 of the United States of America.

Paul R. Josselyn, of Iowa, now vice consul and interpreter at Tientsin, to be a consul of class 8 of the United States of America.

Robert L. Keiser, of Indiana, now vice consul at Sao Paulo, to be a consul of class 8 of the United States of America.

Irving N. Linnell, of Massachusetts, now vice consul at Vancouver, to be a consul of class 8 of the United States of America.

Leland B. Morris, of Pennsylvania, lately vice consul and interpreter at Smyrna, now on detail in the Department of State, to be a consul of class 8 of the United States of America.

Charles Roy Nasmith, of New York, now a consular assistant, to be a consul of class 8 of the United States of America.

Harold B. Quarton, of Iowa, now a consular assistant, to be a consul of class 8 of the United States of America.

Raymond P. Tenney, of Massachusetts, now assistant Chinese secretary to the American legation at Peking, to be a consul of class 8 of the United States of America.

Hugh H. Watson, of Vermont, now vice consul at Liverpool, to be a consul of class 8 of the United States of America.

George W. Young, of Maryland, lately vice consul and interpreter at Aleppo, now on detail at Bordeaux, to be a consul of class 8 of the United States of America.

TEMPORARY PROMOTIONS IN THE ARMY.

FIELD ARTILLERY ARM.

To be first lieutenants with rank from August 30, 1917.

Second Lieut. William R. Gerhardt, Field Artillery, vice First Lieut. Erwin C. W. Davis, promoted.

Second Lieut. Theodore E. Buechler, Field Artillery, vice First Lieut. Emile G. De Coen, promoted.

Second Lieut. Frederick E. Tibbetts, jr., Field Artillery, vice First Lieut. Arthur N. White, promoted.

Second Lieut. Samuel D. Ringsdorf, Field Artillery, vice First Lieut. Patrick L. Lynch, promoted.

Second Lieut. Redmond F. Kernan, jr., Field Artillery, vice First Lieut. Ivan N. Bradley, promoted.

Second Lieut. Theodore L. Futch, Field Artillery, vice First Lieut. John J. McCollister, promoted.

Second Lieut. Russell L. Meredith, Field Artillery, vice First Lieut. Frank A. Roberts, promoted.

Second Lieut. William I. Wilson, Field Artillery, vice First Lieut. William D. Alexander, promoted.

Second Lieut. Harold A. Cooney, Field Artillery, vice First Lieut. Herbert L. Lee, promoted.

Second Lieut. John T. Knight, jr., Field Artillery, vice First Lieut. Richard J. Marshall, promoted.

Second Lieut. Miles A. Cowles, Field Artillery, vice First Lieut. Ralph T. Heard, promoted.

Second Lieut. Lawrence McC. Jones, Field Artillery, vice First Lieut. Harcourt Hervey, promoted.

Second Lieut. Gordon G. Heiner, jr., Field Artillery, vice First Lieut. Francis W. Sheppard, promoted.

Second Lieut. Edward J. Wolff, jr., Field Artillery, vice First Lieut. Robert W. Daniels, promoted.

To be first lieutenant with rank from October 25, 1917.

Second Lieut. Addison H. Douglass, Field Artillery, vice First Lieut. John S. Winslow, promoted.

To be first lieutenants with rank from October 26, 1917.

Second Lieut. Arthur E. Fox, Field Artillery, vice First Lieut. George N. Ruhberg, promoted.

Second Lieut. Lewis A. Bond, Field Artillery, vice First Lieut. Armand Durant, promoted.

Second Lieut. Robert A. B. Goodman, Field Artillery, vice First Lieut. Thomas T. Handy, promoted.

Second Lieut. Devereaux C. Josephs, Field Artillery, vice First Lieut. Frank B. Tipton, jr., promoted.

Second Lieut. Henry M. Rees, Field Artillery, vice First Lieut. Stanley F. Bryan, promoted.

Second Lieut. John G. Paul, Field Artillery, vice First Lieut. Oliver L. Haines, promoted.

Second Lieut. James T. Brinkerhoff, Field Artillery, vice First Lieut. Oscar I. Gates, promoted.

Second Lieut. William G. Cummings, Field Artillery, vice First Lieut. Gerald E. Brower, promoted.

Second Lieut. Harold T. Brotherton, Field Artillery, vice First Lieut. William J. Jones, promoted.

Second Lieut. Larkin W. Glazebrook, jr., Field Artillery, vice First Lieut. Yarrow D. Vesely, promoted.

Second Lieut. Samuel D. Smoley, Field Artillery, vice First Lieut. William B. Dunwoody, promoted.

Second Lieut. Charles F. Neave, Field Artillery, vice First Lieut. Charles B. Thomas, promoted.

Second Lieut. Robert W. Wilson, Field Artillery, vice First Lieut. Oliver J. Bond, jr., promoted.

Second Lieut. Donald H. Brown, Field Artillery, vice First Lieut. Robert H. Ennis, promoted.

Second Lieut. Ralph de P. Terrell, Field Artillery, vice First Lieut. Benjamin E. Carter, promoted.

Second Lieut. Stephen B. Ives, Field Artillery, vice First Lieut. Henry B. Parker, promoted.

Second Lieut. Robert F. Webb, Field Artillery, vice First Lieut. Francis Fielding-Reid, promoted.

Second Lieut. William G. Lasch, Field Artillery, vice First Lieut. Harold R. Ristine, promoted.

Second Lieut. Miller H. Pontius, Field Artillery, vice First Lieut. Edmund B. Edwards, promoted.

Second Lieut. Fritz A. Nagel, Field Artillery, vice First Lieut. Oscar L. Gruhn, promoted.

Second Lieut. Adrian J. McDonald, Field Artillery, vice First Lieut. Theodore W. Wrenn, promoted.

Second Lieut. John E. Hartigan, Field Artillery, vice First Lieut. Harold W. Rehm, promoted.

Second Lieut. John L. Handy, Field Artillery, vice First Lieut. John B. Pitney, promoted.

Second Lieut. Edgar A. O'Hair, Field Artillery, vice First Lieut. Clifford H. Tate, promoted.

Second Lieut. Stephen Mahon, Field Artillery, vice First Lieut. Ottomar O'Donnell, promoted.

Second Lieut. Addison B. Green, Field Artillery, vice First Lieut. Oliver P. Echols, promoted.

Second Lieut. John R. Shepley, Field Artillery, vice First Lieut. Clement Ripley, promoted.

Second Lieut. Roger A. Sanford, Field Artillery, vice First Lieut. Edward M. Smith, promoted.

Second Lieut. Kenneth L. Holmes-Brown, Field Artillery, vice First Lieut. John O. Hoskins, promoted.

Second Lieut. Oliver B. Cunningham, Field Artillery, vice First Lieut. William Clarke, promoted.

Second Lieut. Harvey E. Ragland, Field Artillery, vice First Lieut. Albert R. Ives, promoted.

Second Lieut. Charles H. Burchenal, Field Artillery, vice First Lieut. Arthur Brigham, jr., promoted.

Second Lieut. Robert E. Crotty, Field Artillery, vice First Lieut. William M. Jackson, promoted.

Second Lieut. Wilton Lloyd-Smith, Field Artillery, vice First Lieut. Joseph A. Sheridan, promoted.

Second Lieut. Frank C. Delaney, Field Artillery, vice First Lieut. Hugh C. Minton, promoted.

Second Lieut. Pell W. Foster, jr., Field Artillery, vice First Lieut. Charles W. Gallaher, promoted.

Second Lieut. Kennedy Hassenzahl, Field Artillery, vice First Lieut. Laurence V. Houston, promoted.

Second Lieut. Arthur P. Patterson, Field Artillery, vice First Lieut. Stacy Knopf, promoted.

Second Lieut. Robert P. Reynolds, Field Artillery, vice First Lieut. James M. Garrett, promoted.

Second Lieut. Philip G. Hodge, Field Artillery, vice First Lieut. David M. Pope, promoted.

Second Lieut. Dennis P. McCarthy, Field Artillery, vice First Lieut. Eugene H. Willenbucker, promoted.

Second Lieut. Albert Tate, Field Artillery, vice First Lieut. Louis C. Arthur, jr., promoted.

Second Lieut. Le Count H. Slocum, Field Artillery, vice First Lieut. John F. Hubbard, promoted.

Second Lieut. John H. Shelton, Field Artillery, vice First Lieut. Franklin M. Davison, promoted.

Second Lieut. Louis H. Lathrop, Field Artillery, vice First Lieut. William E. Shepherd, jr., promoted.

Second Lieut. John Van H. Challiss, Field Artillery, vice First Lieut. Robert M. Bathurst, promoted.

Second Lieut. Junius S. Roberts, Field Artillery, vice First Lieut. William H. Saunders, promoted.

Second Lieut. Frederic W. W. Graham, jr., Field Artillery, vice First Lieut. Charles H. Hurdie, promoted.

Second Lieut. Joseph R. Estabrook, Field Artillery, vice First Lieut. Henry J. Schroeder, promoted.

Second Lieut. Harold D. Finley, Field Artillery, vice First Lieut. James K. Tully, promoted.

Second Lieut. Leo Joseph Vogel, Field Artillery, vice First Lieut. John M. Devine, promoted.

Second Lieut. James P. Kelly, Field Artillery, vice First Lieut. Harold A. Nisely, promoted.

Second Lieut. Richard B. von Maur, Field Artillery, vice First Lieut. James L. Guion, promoted.

Second Lieut. Harold T. Deeds, Field Artillery, vice First Lieut. George D. Wahl, promoted.

Second Lieut. Millard L. Hamaker, Field Artillery, vice First Lieut. Basil H. Berry, promoted.

Second Lieut. John B. Fidler, Field Artillery, vice First Lieut. Ray H. Lewis, promoted.

Second Lieut. Wilbur B. Sumner, Field Artillery, vice First Lieut. Solomon F. Clark, promoted.

Second Lieut. Douglas Henry, Field Artillery, vice First Lieut. Augustus M. Gurney, promoted.

Second Lieut. John A. Graves, Field Artillery, vice First Lieut. Oliver B. Cardwell, promoted.

Second Lieut. Hastings S. Morse, Field Artillery, vice First Lieut. William O. Butler, promoted.

Second Lieut. George M. Schurman, Field Artillery, vice First Lieut. Rex W. Beasley, promoted.

Second Lieut. William E. Corkill, Field Artillery, vice First Lieut. Frank Langham, promoted.

Second Lieut. Charles D. Brown, Field Artillery, vice First Lieut. William F. Maher, promoted.

Second Lieut. Lester M. Kilgarif, Field Artillery, vice First Lieut. Walter F. Wright, promoted.

Second Lieut. Henry W. Krotzer, Field Artillery, vice First Lieut. Sidney F. Dunn, promoted.

Second Lieut. James B. Catlett, Field Artillery, vice First Lieut. Louis W. Hasslock, promoted.

Second Lieut. Robert L. Randol, Field Artillery, vice First Lieut. Breckinridge A. Day, promoted.

Second Lieut. Douglas L. Crane, Field Artillery, vice First Lieut. Paul C. Harper, promoted.

Second Lieut. Melville H. Rood, Field Artillery, vice First Lieut. Joseph Kennedy, promoted.

Second Lieut. Thomas L. Chalmers, Field Artillery, vice First Lieut. George D. Shea, promoted.

Second Lieut. Harry N. Blue, Field Artillery, vice First Lieut. John V. D. Hume, promoted.

Second Lieut. Fredric H. Timmerman, Field Artillery, vice First Lieut. Woodrow W. Woodbridge, promoted.

Second Lieut. James H. McHenry, Field Artillery, vice First Lieut. Gervas S. Taylor, promoted.

Second Lieut. Alford J. Bardford, Field Artillery, vice First Lieut. John G. Pennypacker, promoted.

Second Lieut. Gurney L. Smith, Field Artillery, vice First Lieut. Richard H. Schubert, promoted.

Second Lieut. John M. Franklin, Field Artillery, vice First Lieut. Edward J. F. Marx, promoted.

Second Lieut. George S. Goodspeed, Field Artillery, vice First Lieut. Wilbur C. Carlan, promoted.

Second Lieut. Amos E. Carmichael, Field Artillery, vice First Lieut. George R. Rede, promoted.

Second Lieut. Raymond H. Seagle, Field Artillery, vice First Lieut. Gilbert F. Kearns, promoted.

Second Lieut. John V. Anderson, Field Artillery, vice First Lieut. Van Rensselaer Vestal, promoted.

Second Lieut. Leon C. Swager, Field Artillery, vice First Lieut. John H. Carriker, promoted.

Second Lieut. Henry W. Wiley, Field Artillery, vice First Lieut. Peter P. Michalek, promoted.

Second Lieut. Walter Rompel, Field Artillery, vice First Lieut. William G. Gough, promoted.

Second Lieut. Winfred C. Green, Field Artillery, vice First Lieut. Joseph H. Mullherrin, promoted.

Second Lieut. Marion I. Voorhes, Field Artillery, vice First Lieut. Azel W. McNeal, promoted.

Second Lieut. Algernon S. Coleman, Field Artillery, vice First Lieut. David H. Trevor, detailed in the Signal Corps.

Second Lieut. Leslie W. Devereux, Field Artillery, vice First Lieut. William B. Wrigt, jr., promoted.

Second Lieut. Robert F. LaBarron, Field Artillery, vice First Lieut. Victor H. Bridgman, jr., promoted.

Second Lieut. Edgar G. Crossman, Field Artillery, vice First Lieut. Wendell L. Bevan, promoted.

Second Lieut. James H. Boyd, Field Artillery, vice First Lieut. Henry J. MacPeake, promoted.

Second Lieut. Ralph K. Learnard, Field Artillery, vice First Lieut. Frank W. Lykes, promoted.

Second Lieut. Pitt F. Carl, jr., Field Artillery, vice First Lieut. Richard T. Guthrie, promoted.

Second Lieut. David W. Potter, Field Artillery, vice First Lieut. Ittal A. Luke, promoted.

Second Lieut. John H. Gardner, jr., Field Artillery, vice First Lieut. Roger Griswold, promoted.

Second Lieut. Earl C. Ewert, Field Artillery, vice First Lieut. Henry Lockwood, jr., promoted.

Second Lieut. Donald D. Demarest, Field Artillery, vice First Lieut. Alan L. Campbell, promoted.

Second Lieut. David J. Fitzgerald, Field Artillery, vice First Lieut. Oscar B. Rall, jr., promoted.

Second Lieut. William C. Chanler, Field Artillery, vice First Lieut. John R. Larkin, promoted.

Second Lieut. Ralph W. Hahn, Field Artillery, vice First Lieut. Douglas R. Coleman, promoted.

Second Lieut. Orrin P. Kilbourn, Field Artillery, vice First Lieut. George P. Winton, promoted.

Second Lieut. Robert E. Jacobson, Field Artillery, vice First Lieut. George F. Downing, promoted.

Second Lieut. John T. Clancy, Field Artillery, vice First Lieut. Wallace W. Crawford, promoted.

Second Lieut. Richard A. Miller, Field Artillery, vice First Lieut. Christiancy Pickett, promoted.

Second Lieut. Winthrop W. Leach, Field Artillery, vice First Lieut. Rush H. Rogers, promoted.

To be first lieutenant with rank from November 3, 1917.

Second Lieut. John W. O'Harrow, jr., Field Artillery, vice First Lieut. John C. Adams, promoted.

To be first lieutenants with rank from November 5, 1917.

Second Lieut. James B. Dick, Field Artillery, vice First Lieut. Arthur C. Waters, promoted.

Second Lieut. Carol S. S. Kennedy, Field Artillery, vice First Lieut. Ernest T. Barco, promoted.

To be first lieutenants with rank from November 13, 1917.

Second Lieut. Dan Cummins Kenan, Field Artillery, vice First Lieut. Lester A. Daugherty, promoted.

Second Lieut. Joseph A. Martz, Field Artillery, vice First Lieut. Walter G. Witt, promoted.

To be first lieutenant with rank from November 22, 1917.

Second Lieut. Andrew S. Messick, Field Artillery, vice First Lieut. Joseph E. Takken, promoted.

To be first lieutenant with rank from November 25, 1917.

Second Lieut. Lee B. Goff, jr., Field Artillery, vice First Lieut. Raymond J. Watrous, promoted.

To be first lieutenant with rank from December 5, 1917.

Second Lieut. Kenneth S. Wallace, Field Artillery, vice First Lieut. Jerome J. Waters, jr., promoted.

To be first lieutenant with rank from January 2, 1918.

Second Lieut. Ralph Heatherington, Field Artillery, vice First Lieut. Thomas G. Hanson, jr., promoted.

To be first lieutenant with rank from January 8, 1918.

Second Lieut. Eugene B. Ripley, jr., Field Artillery, vice First Lieut. Bertram N. Rock, promoted.

To be first lieutenant with rank from January 21, 1918.

Second Lieut. Thornton Davis, Field Artillery, vice First Lieut. Alexander S. Quintard, promoted.

To be first lieutenants with rank from January 24, 1918.

Second Lieut. Frederick M. Williams, Field Artillery, vice First Lieut. Marcus A. S. Ming, promoted.

Second Lieut. Harry B. Routh, Field Artillery, vice First Lieut. Lewis E. Goodrich, promoted.

To be first lieutenant with rank from January 25, 1918.

Second Lieut. William E. Farthing, Field Artillery, vice First Lieut. Victor R. Woodruff, promoted.

To be first lieutenant with rank from February 6, 1918.

Second Lieut. Jackson H. Boyd, Field Artillery, vice First Lieut. Robert W. Yates, promoted.

To be first lieutenant with rank from February 7, 1918.

Second Lieut. Noel Noyes, Field Artillery, vice First Lieut. Dan C. Schmahl, promoted.

POSTMASTERS.

ALABAMA.

Walter H. Speegle to be postmaster at Hartsells, Ala., in place of Elizabeth Simpson. Incumbent's commission expired May 20, 1917.

Leon M. Stevenson to be postmaster at Roanoke, Ala., in place of W. Z. East. Incumbent's commission expired November 13, 1917.

ARIZONA.

Leslie C. Jolly to be postmaster at Clarkdale, Ariz., in place of Otto Janssen, resigned.

Mary E. Brown to be postmaster at Parker, Ariz., in place of Allen W. Bryant, resigned.

John W. Brown to be postmaster at St. Johns, Ariz., in place of C. Scheele. Office became presidential April 1, 1917.

CALIFORNIA.

Jennie F. Curry to be postmaster at Camp Curry, Cal., in place of David A. Curry, deceased.

Janet D. Watson to be postmaster at Tahoe, Cal., in place of Herbert S. Watson, resigned.

Susan M. Sigler to be postmaster at Universal City, Cal., in place of Frederick Donaghy, deceased.

COLORADO.

William M. Kintner to be postmaster at Swink, Colo., in place of David M. Fox, resigned.

FLORIDA.

Walter B. Leonard to be postmaster at Hastings, Fla., in place of Charles E. Kettle, resigned.

ILLINOIS.

Patrick H. Fitzgerald to be postmaster at Tiskilwa, Ill., in place of Addie M. Chenoweth, deceased.

KANSAS.

Henry Mattison to be postmaster at Mount Hope, Kans., in place of W. E. Mattison, deceased.

KENTUCKY.

H. Otto Razor to be postmaster at Salt Lick, Ky., in place of E. Thurston Royse, deceased.

LOUISIANA.

Clifford C. Anderson, jr., to be postmaster at Lake Arthur, La., in place of W. G. Chapman. Incumbent's commission expired April 28, 1917.

Edwin H. Hall to be postmaster at Mooringsport, La., in place of M. M. Bonham, resigned.

Maggie E. Jones to be postmaster at Ringgold, La., in place of Maggie Tooke. Office became presidential October 1, 1917.

MISSOURI.

Robert S. Harriman to be postmaster at Pilot Grove, Mo., in place of Edverda Barnes, resigned.

NEW JERSEY.

Francis J. Imlay to be postmaster at Allenhurst, N. J., in place of R. Crawford. Office became presidential July 1, 1916.

Clark P. Kemp to be postmaster at Little Silver, N. J., in place of George E. Borden, resigned.

J. Edward Harned to be postmaster at Woodbridge, N. J., in place of John F. Ryan, resigned.

NORTH CAROLINA.

Roy E. Wilder to be postmaster at Spring Hope, N. C., in place of Joseph S. Stallings, resigned.

NORTH DAKOTA.

Swain G. Northfield to be postmaster at Edinburg, N. Dak., in place of Andrew C. Jensen, declined.

OHIO.

William H. Wisman to be postmaster at New Paris, Ohio, in place of Harry D. Collins, resigned.

OKLAHOMA.

Fred O. Weldon to be postmaster at Comanche, Okla., in place of Jessie A. Tucker, resigned.

John L. Rogers to be postmaster at New Wilson, Okla., in place of Roy M. Mobley, resigned.

Victor A. Schiefelbusch to be postmaster at Sand Springs, Okla., in place of Lee B. Fitzhugh, resigned.

Joshua W. Anderson to be postmaster at Talihina, Okla., in place of James N. Ross, resigned.

TENNESSEE.

Cleveland M. Reames to be postmaster at Somerville, Tenn., in place of J. N. Maxwell. Incumbent's commission expired June 10, 1917.

VIRGIN ISLANDS.

W. S. Lee to be postmaster at Charlotte Amalie, Virgin Islands.

WYOMING.

Minnie C. Corum to be postmaster at Encampment, Wyo., in place of W. H. Wolford, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 16 (legislative day of February 15), 1918.

APPOINTMENTS IN THE ARMY.

QUARTERMASTER CORPS.

Brig. Gen. Isaac W. Littell to be brigadier general.

MEDICAL CORPS.

To be first lieutenants.

William Charles Munly,
Albert Elwood Pagan,
Forrest Pitt Baker,
Cole Blease Gibson,
George William Rice,
Royal Kendall Stacey,
William Campbell Colbert,
Ernest Leroy Wilson,
William Stephen Culpepper,
Charles Roland Glenn,
Gordon Adams Clapp, and
Clive Paul Mueller.

FIELD ARTILLERY ARM.

Ansel G. Wineman to be second lieutenant.

PROVISIONAL APPOINTMENTS IN THE ARMY.

INFANTRY ARM.

To be second lieutenants.

George E. Kraul,
Peter A. Ryan,
Archie D. Cameron,
Ray W. Miner, and
Jack A. Nichols.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

INFANTRY ARM.

To be captains.

First Lieut. Sigurd J. Simonsen,
First Lieut. Thomas G. Bond,
First Lieut. John E. Haywood,
First Lieut. Willis H. Hale,
First Lieut. Noe C. Killian,
First Lieut. Lindsay P. Johns,
First Lieut. Walter R. Mann,
First Lieut. Henry W. Lee,
First Lieut. Charles A. Shamotulski,
First Lieut. Sidney F. Mashbir,
First Lieut. William P. Scobey,
First Lieut. William C. Moore,
First Lieut. Albion Smith,
First Lieut. Le Roy Lutes,
First Lieut. Edwin D. Patrick,
First Lieut. Herman F. Kramer,
First Lieut. Clarence P. Evers,
First Lieut. William H. Coacher,
First Lieut. Edward S. Johnston, and
First Lieut. John T. Henderson.

To be first lieutenants.

Second Lieut. William F. Johnson,
Second Lieut. Earle T. Decker,
Second Lieut. Uel Stephens,
Second Lieut. Jack A. Nichols,
Second Lieut. George E. Kraul,
Second Lieut. Peter A. Ryan,
Second Lieut. Archie D. Cameron,
Second Lieut. Ray W. Miner,
Second Lieut. Harry A. Seymour,
Second Lieut. Edward J. Oliver,
Second Lieut. Ralph K. Fletcher,
Second Lieut. Thomas R. McCarron,
Second Lieut. Le Roy W. Wilson,
Second Lieut. Oscar P. Hilburn,
Second Lieut. Ray A. Martin,
Second Lieut. Thomas F. Troxell,
Second Lieut. Thomas E. Hibben,
Second Lieut. Edward R. Schauffler,
Second Lieut. Louis A. Kuerzi,
Second Lieut. Vance L. Richmond,
Second Lieut. Orlando C. Brown,
Second Lieut. Frank H. Hollingsworth,
Second Lieut. Earle T. Loucks,
Second Lieut. Alfred D. Cameron,
Second Lieut. Keelah Bouve,
Second Lieut. Herbert S. Havens,
Second Lieut. Joseph E. Pierce,
Second Lieut. John G. Davis,
Second Lieut. William E. G. Cooper,
Second Lieut. Thomas A. O'Brien,
Second Lieut. George H. Passmore,
Second Lieut. Wayne Marshall,
Second Lieut. George O. A. Daughtry, jr.,
Second Lieut. Edward A. O'Malley, jr.,
Second Lieut. Eugene J. M. Fitz-Gerald,
Second Lieut. Francis M. Fuller,
Second Lieut. Frank B. Hayne, jr.,
Second Lieut. Newton G. Bush,
Second Lieut. Paolo H. Sperati,
Second Lieut. Alan L. Hart,
Second Lieut. Worden H. Cowen,
Second Lieut. Russell L. Bonnell,
Second Lieut. Harold L. Morlan,
Second Lieut. Le Roy W. Nichols,
Second Lieut. Francis D. Ross,
Second Lieut. Keith F. Driscoll,

Second Lieut. Sidney A. Sands,
 Second Lieut. Harvey J. Silvestone,
 Second Lieut. Christian A. Schwarzwaldler,
 Second Lieut. Charles M. Chamberlain, jr.,
 Second Lieut. Allan B. Clayton,
 Second Lieut. Harry B. Sepulveda,
 Second Lieut. Howard N. Merrill,
 Second Lieut. Sherman L. Houghton,
 Second Lieut. Melvin P. Spalding,
 Second Lieut. Bernard Meredith,
 Second Lieut. Harold G. Johnstone,
 Second Lieut. Manoa N. Swetnam,
 Second Lieut. William F. Newton,
 Second Lieut. Andrew F. Hassel,
 Second Lieut. George S. V. Little,
 Second Lieut. Gordon F. Stephens,
 Second Lieut. William MacG. Hall,
 Second Lieut. William O. Nelson,
 Second Lieut. Pierce Butler, jr.,
 Second Lieut. Albert C. Ames,
 Second Lieut. Charles L. Bolte,
 Second Lieut. William A. Moss,
 Second Lieut. Eugene C. Callahan,
 Second Lieut. William H. Duncan,
 Second Lieut. John B. Brainerd, jr.,
 Second Lieut. Theodore F. Wessels,
 Second Lieut. Edward Law,
 Second Lieut. Sherman K. Burke,
 Second Lieut. Arthur J. McChrystal,
 Second Lieut. Reynier J. Wortendyke, jr.,
 Second Lieut. Malcolm F. Lindsey,
 Second Lieut. Willard Smith,
 Second Lieut. Jean E. Nelson,
 Second Lieut. Kirkwood D. Scott,
 Second Lieut. Horace O. Cushman,
 Second Lieut. William M. Hutson,
 Second Lieut. Thomas M. Galbreath, jr.,
 Second Lieut. Carter Glass, jr.,
 Second Lieut. Lambert A. Wood,
 Second Lieut. Thomas Phillips,
 Second Lieut. David H. Finley,
 Second Lieut. Robert S. F. Randolph,
 Second Lieut. Eli A. Barnes,
 Second Lieut. Richard F. Bailey,
 Second Lieut. Myron M. Andrews,
 Second Lieut. Richard S. Hevenor,
 Second Lieut. Albert E. Purchas, jr.,
 Second Lieut. Bryan G. Dancy,
 Second Lieut. Vinton L. James, jr.,
 Second Lieut. William F. Campbell,
 Second Lieut. Louis T. Bass,
 Second Lieut. Charles J. Carey,
 Second Lieut. Stuart Cutler,
 Second Lieut. Elbert G. Spencer,
 Second Lieut. John R. Boatwright,
 Second Lieut. Graeme K. Howard,
 Second Lieut. Lester N. Allyn,
 Second Lieut. Henry L. Barrett,
 Second Lieut. Howard W. Sears,
 Second Lieut. Raphael Semmes,
 Second Lieut. Robert E. McDonald,
 Second Lieut. Elmer R. Ames,
 Second Lieut. Thomas S. Morrison, jr.,
 Second Lieut. Raymond R. Tourtillott,
 Second Lieut. George A. Hadd,
 Second Lieut. Leo A. Dunbar,
 Second Lieut. James S. Candee,
 Second Lieut. Joseph P. Cromwell,
 Second Lieut. Harry M. Mayo, jr.,
 Second Lieut. Bernard P. Hoey,
 Second Lieut. Arleigh L. Willis,
 Second Lieut. Eustace P. Strout,
 Second Lieut. Wallace W. Parker,
 Second Lieut. Ray M. Hare,
 Second Lieut. Walter Francis Mullins,
 Second Lieut. Henry L. P. King,
 Second Lieut. Craig P. Cochrane,
 Second Lieut. Harry W. Koster,
 Second Lieut. Alfred J. McMullin,
 Second Lieut. Eugene E. Pratt,
 Second Lieut. Julien H. Needler,
 Second Lieut. Frank J. Knell,
 Second Lieut. Gerald L. Marsh,
 Second Lieut. William A. Wieland,
 Second Lieut. John Conrad Cattus,

Second Lieut. Edmond S. Donoho,
 Second Lieut. Donald N. Swain,
 Second Lieut. John F. Mead,
 Second Lieut. Charles McF. Petty,
 Second Lieut. Harold A. Black,
 Second Lieut. Robert J. McElroy,
 Second Lieut. George P. Seneff,
 Second Lieut. Harry C. Boehme,
 Second Lieut. Russell G. Ayers,
 Second Lieut. William A. Wappenstein,
 Second Lieut. Charles H. Owens,
 Second Lieut. Carter Collins,
 Second Lieut. Clarence E. Lovejoy,
 Second Lieut. William A. Gray, jr.,
 Second Lieut. Hays Matson,
 Second Lieut. George E. Abrams,
 Second Lieut. Clifton R. Breckinridge, jr.,
 Second Lieut. Charles McKnight, jr.,
 Second Lieut. Richard L. Tayloe,
 Second Lieut. Albert D. Foster,
 Second Lieut. Ralph Eberlin,
 Second Lieut. Edward T. Harrison,
 Second Lieut. Donald P. Spalding,
 Second Lieut. Ercil D. Porter,
 Second Lieut. Warner Harwood,
 Second Lieut. Clyde A. Fowler,
 Second Lieut. Laurence J. Potter,
 Second Lieut. Claude A. White,
 Second Lieut. Brayton Wilbur,
 Second Lieut. John F. Farnsworth,
 Second Lieut. Chester B. Blakeman,
 Second Lieut. Henry N. Bakken,
 Second Lieut. Archer L. Lerch,
 Second Lieut. Rodney S. Sprigg,
 Second Lieut. Milton W. Emmett,
 Second Lieut. John A. Pierce,
 Second Lieut. Wendell L. Clemenson,
 Second Lieut. Jonathan W. Edwards,
 Second Lieut. William H. Thomas,
 Second Lieut. Charles J. Deahl, jr.,
 Second Lieut. Frank M. Ogden,
 Second Lieut. Bruce F. Higginbotham,
 Second Lieut. William O. Owen,
 Second Lieut. Arcadi Gluckman,
 Second Lieut. Reginald D. Grout,
 Second Lieut. Dale M. Hoagland,
 Second Lieut. Charles A. Campbell, jr.,
 Second Lieut. Maurice W. Ocheltree,
 Second Lieut. Roy T. Rouse,
 Second Lieut. Ivan B. Snell,
 Second Lieut. Wendell Westover,
 Second Lieut. James W. Rice,
 Second Lieut. William Edgar,
 Second Lieut. Gustav H. Lamm,
 Second Lieut. James P. Gammon,
 Second Lieut. James A. Giacomini,
 Second Lieut. Henry K. White,
 Second Lieut. Alva W. Snyder,
 Second Lieut. Ralph P. Van Zile,
 Second Lieut. Talbott B. Fowler,
 Second Lieut. Matthew F. Garvey,
 Second Lieut. Samuel L. Metcalfe,
 Second Lieut. Frank W. Halsey,
 Second Lieut. Kirby Green,
 Second Lieut. Myron J. Conway,
 Second Lieut. Harold C. Reed,
 Second Lieut. Samuel H. Ladensohn,
 Second Lieut. Clyde A. Ames,
 Second Lieut. Irwin L. Lummis,
 Second Lieut. Joseph G. Babb,
 Second Lieut. Hollis B. Hoyt,
 Second Lieut. Clarence M. Collord,
 Second Lieut. Russell L. McKown,
 Second Lieut. Frederick W. Hackett,
 Second Lieut. Roy G. Rom,
 Second Lieut. Fred H. Reynolds,
 Second Lieut. Van C. Walton,
 Second Lieut. Matthew W. Steele,
 Second Lieut. Lawrence W. Marshall,
 Second Lieut. John A. Otto,
 Second Lieut. Joseph B. Sweet,
 Second Lieut. Walter D. Luplow,
 Second Lieut. John H. Helmer,
 Second Lieut. Sidney P. Howell,

Second Lieut. Henrick Antell,
 Second Lieut. John L. Weeks,
 Second Lieut. Arthur G. Levy,
 Second Lieut. Lewis R. Byington,
 Second Lieut. Cecil W. Borton,
 Second Lieut. Donald Timmerman,
 Second Lieut. Harper A. Holt,
 Second Lieut. Leon L. Kotzbue,
 Second Lieut. Leander I. Shelley,
 Second Lieut. Arvid P. Croonquist,
 Second Lieut. James E. Cole, jr.,
 Second Lieut. Roger Orson.
 Second Lieut. Gunther Orsinger.
 Second Lieut. Gregory A. Harrison,
 Second Lieut. Paul McC. Boston,
 Second Lieut. Elmer L. Mott,
 Second Lieut. Thomas R. Holmes,
 Second Lieut. Harold W. Batchelder,
 Second Lieut. Jay H. Cushman,
 Second Lieut. John P. Redwood,
 Second Lieut. Robert H. Engle,
 Second Lieut. Samuel Y. Dinkins,
 Second Lieut. Roscoe I. MacMillan,
 Second Lieut. Nicholas D. Woodward,
 Second Lieut. Henry R. Horak,
 Second Lieut. James F. Burke,
 Second Lieut. Henry C. Switzer,
 Second Lieut. William K. Dickson,
 Second Lieut. Clarence A. Martin,
 Second Lieut. Elmer J. Croft,
 Second Lieut. Mark G. Brislawn,
 Second Lieut. Edgar L. Noel,
 Second Lieut. Henning Linden,
 Second Lieut. Gerold E. Luebben,
 Second Lieut. Thomas W. Proctor,
 Second Lieut. Robert F. Kelley,
 Second Lieut. George J. Leftwich, jr.,
 Second Lieut. Neely Powers,
 Second Lieut. Harrison G. Reynolds,
 Second Lieut. Trevor W. Swett,
 Second Lieut. George Read, jr.,
 Second Lieut. James C. Clements,
 Second Lieut. Charles H. Jacobs,
 Second Lieut. Hanford MacNider,
 Second Lieut. Alexander D. Wilson,
 Second Lieut. Edward N. Wigton,
 Second Lieut. Eric F. Pihlgard,
 Second Lieut. Leslie N. Ross,
 Second Lieut. Arthur W. Mudge, jr.,
 Second Lieut. Thomas H. Nicholl,
 Second Lieut. James L. Hubbell,
 Second Lieut. Benjamin H. Decker,
 Second Lieut. Walter A. Dumas,
 Second Lieut. Edwin E. Keatley,
 Second Lieut. W. R. Barksdale Stevens,
 Second Lieut. Earle L. Hazzard,
 Second Lieut. Moses Taylor, jr.,
 Second Lieut. George H. McKee,
 Second Lieut. Lett W. Bissell,
 Second Lieut. William B. White,
 Second Lieut. George C. Parkhurst,
 Second Lieut. Luther W. Turner,
 Second Lieut. William H. Deyo,
 Second Lieut. Francis W. Dunn,
 Second Lieut. Don M. Scott,
 Second Lieut. Allen W. Cook,
 Second Lieut. Robert E. Wysor, jr.,
 Second Lieut. Robert Dechert,
 Second Lieut. James E. Wharton,
 Second Lieut. William O. Wyckoff,
 Second Lieut. Carleton Smith,
 Second Lieut. Paul C. Gripper,
 Second Lieut. Martin D. Barndollar, jr.,
 Second Lieut. Raymond C. Alley,
 Second Lieut. Francis C. Lewis,
 Second Lieut. Lewis Simons,
 Second Lieut. James H. Day,
 Second Lieut. James M. Austin,
 Second Lieut. Albert W. Vinal,
 Second Lieut. Paul G. Corker,
 Second Lieut. Hiram Russell Ide,
 Second Lieut. James A. Rogers,
 Second Lieut. Randolph R. Brown,
 Second Lieut. Leon R. Mead,
 Second Lieut. Harold C. Conick,

Second Lieut. Loren A. Wetherby,
 Second Lieut. James J. Coghlan,
 Second Lieut. Samuel H. Cross,
 Second Lieut. Carl U. Luers,
 Second Lieut. Bernard B. McMahon,
 Second Lieut. Carlton Banigan,
 Second Lieut. Winchester Kelso, jr.,
 Second Lieut. George E. Fingarson,
 Second Lieut. Leaver Richardson,
 Second Lieut. Lawrence M. York,
 Second Lieut. James F. Lilley,
 Second Lieut. Elwood M. S. Steward,
 Second Lieut. Herbert L. Scales,
 Second Lieut. Ernest Albert Rudelius,
 Second Lieut. Joseph W. Emery, jr.,
 Second Lieut. William L. Blanton,
 Second Lieut. Harold E. Sturcken,
 Second Lieut. Milton Petersen,
 Second Lieut. Gillette Hill,
 Second Lieut. Stuart M. Firth,
 Second Lieut. Porter P. Wiggins,
 Second Lieut. Eugene W. Markey,
 Second Lieut. Barnard Pierce,
 Second Lieut. Robert A. Cochran,
 Second Lieut. Proctor Calvin Gilson,
 Second Lieut. Paul B. Matlock,
 Second Lieut. Charles W. Nevin, 2d,
 Second Lieut. William L. Kleitz,
 Second Lieut. Orville W. Harris,
 Second Lieut. Stanley Raymond Putnam,
 Second Lieut. Harold D. Comey,
 Second Lieut. John T. Zellars,
 Second Lieut. Alexander C. Dick,
 Second Lieut. Richard A. McClure,
 Second Lieut. Robert K. Massie, jr.,
 Second Lieut. Twomey M. Clifford,
 Second Lieut. Harry A. Welsch, jr.,
 Second Lieut. Tranny L. Gaddy,
 Second Lieut. Dennis J. O'Toole,
 Second Lieut. Melvin H. Leonard,
 Second Lieut. Ben C. Marable,
 Second Lieut. Arthur A. Weiskopf,
 Second Lieut. Francis O. Noble,
 Second Lieut. John A. Ballard,
 Second Lieut. Harry H. Martin,
 Second Lieut. Herbert T. Perrin,
 Second Lieut. Arthur W. Pope, jr.,
 Second Lieut. Joseph B. Conmy,
 Second Lieut. Emons B. Whisner,
 Second Lieut. George W. Griner, jr.,
 Second Lieut. Hugh T. Mayberry,
 Second Lieut. Charles D. Pearce, jr.,
 Second Lieut. Edward D. McDougall, jr.,
 Second Lieut. Phillip W. Lowry,
 Second Lieut. Charles P. Winsor,
 Second Lieut. John Doble,
 Second Lieut. Moses McK. Darst,
 Second Lieut. Robert R. Smith,
 Second Lieut. Evan C. Dresser,
 Second Lieut. James G. Carr,
 Second Lieut. Daniel E. Farr, and
 Second Lieut. Chester McN. Woolworth.

COAST ARTILLERY CORPS.

To be first lieutenants.

Second Lieut. David C. Kelly,
 Second Lieut. Edward F. Chase,
 Second Lieut. Robert A. Wheeler,
 Second Lieut. Catesby ap L. Jones,
 Second Lieut. William W. Savage,
 Second Lieut. Charles J. Schaefer, jr.,
 Second Lieut. LeRoy A. Whittaker,
 Second Lieut. Harold W. Kramer,
 Second Lieut. Harold P. Detwiler,
 Second Lieut. Clarence F. Hofstetter,
 Second Lieut. John J. Vandenburg,
 Second Lieut. Paul S. Roper,
 Second Lieut. John S. Beck,
 Second Lieut. Clarence G. DeSwarte,
 Second Lieut. Bradley B. Brown,
 Second Lieut. Mahlon A. Combs,
 Second Lieut. Leslie A. Kibbe,
 Second Lieut. Lawrence L. Clayton,
 Second Lieut. Sanford D. Ashford,
 Second Lieut. William Mayer,

Second Lieut. James L. Craig,
 Second Lieut. Glenn H. Stough,
 Second Lieut. Charles E. Loucks,
 Second Lieut. Edmund B. Tazewell,
 Second Lieut. Hugh M. Cochran,
 Second Lieut. Bruce W. Thayer,
 Second Lieut. Arthur C. Cox,
 Second Lieut. Paul J. Hunt,
 Second Lieut. Chauncey K. Smullen,
 Second Lieut. Moses W. Pettigrew,
 Second Lieut. Harold H. Hilton,
 Second Lieut. Walter F. Kraus,
 Second Lieut. Milton M. Levy,
 Second Lieut. D. Marshall Taylor,
 Second Lieut. Samson H. Rosenblatt,
 Second Lieut. Hugh N. Mavor,
 Second Lieut. George A. Woody,
 Second Lieut. Maurice R. Gowing,
 Second Lieut. Geoffrey M. O'Connell,
 Second Lieut. Lloyd W. Goeppert,
 Second Lieut. Frank R. Rawson,
 Second Lieut. Francis Bell, jr.,
 Second Lieut. Harrison G. Overend,
 Second Lieut. Arthur W. Gower,
 Second Lieut. Guy C. Smith,
 Second Lieut. Otis C. Moore,
 Second Lieut. George C. Tinsley,
 Second Lieut. Arthur F. Gilmore,
 Second Lieut. Thomas B. Hobson,
 Second Lieut. John T. Lewis,
 Second Lieut. Walter A. Upham,
 Second Lieut. Julian D. Conover,
 Second Lieut. Ralph A. Grant,
 Second Lieut. Alvah P. R. Conklin,
 Second Lieut. William Q. Jeffords, jr.,
 Second Lieut. Frederick W. Gilchrist,
 Second Lieut. Samuel L. McCroskey,
 Second Lieut. George A. Patrick,
 Second Lieut. Horace H. Powers,
 Second Lieut. Walter C. Thee,
 Second Lieut. Gwynne C. McCaustland,
 Second Lieut. Wayne E. Davis,
 Second Lieut. Oliver B. Bucher,
 Second Lieut. Edgar W. King,
 Second Lieut. John W. Dillard,
 Second Lieut. Jesse K. Mattox,
 Second Lieut. Wallace E. Armstrong,
 Second Lieut. Riley E. McGarraugh,
 Second Lieut. Fletcher H. Etheridge,
 Second Lieut. David Beale,
 Second Lieut. Charles T. Trickey,
 Second Lieut. Allan P. Bruner,
 Second Lieut. Edwin M. McGinnis,
 Second Lieut. Francis S. Sweet,
 Second Lieut. Arch C. Huston,
 Second Lieut. Ulric J. Mengert,
 Second Lieut. Hugo Dalsheimer,
 Second Lieut. Richard W. Coward,
 Second Lieut. Edward T. Browne,
 Second Lieut. John O. Merrill,
 Second Lieut. Horace C. Levinson,
 Second Lieut. Percival S. Howe, jr.,
 Second Lieut. Miles W. Kresge,
 Second Lieut. Edwin S. Roscoe,
 Second Lieut. George W. Ricker,
 Second Lieut. Edward S. Fraser,
 Second Lieut. Milton W. Pollock,
 Second Lieut. Sumner T. Pike,
 Second Lieut. Sealand W. Landon, jr.,
 Second Lieut. Harold Connett,
 Second Lieut. Leslie Clyde,
 Second Lieut. John M. Silkman,
 Second Lieut. John S. Jenkins, jr.,
 Second Lieut. Stanley R. Mickelsen,
 Second Lieut. William LeRoy Hart,
 Second Lieut. Lawrence B. Morse,
 Second Lieut. George P. Lee,
 Second Lieut. Ralph E. Glasheen,
 Second Lieut. Earnest J. Oglesby,
 Second Lieut. Eugene M. Vigneron,
 Second Lieut. Carroll G. Riggs,
 Second Lieut. Henry C. Meredith,
 Second Lieut. Dana L. Barbour,
 Second Lieut. Ralph Beatley,

Second Lieut. Max W. Thornburg,
 Second Lieut. George W. Farnham,
 Second Lieut. Richard M. Kimball,
 Second Lieut. Edwin F. Barry,
 Second Lieut. Eugene S. Taliaferro,
 Second Lieut. Robert A. Clyde,
 Second Lieut. Andrew F. Patterson,
 Second Lieut. Forrest G. Tucker,
 Second Lieut. Howard T. Evans,
 Second Lieut. Spessard L. Holland,
 Second Lieut. William P. E. Alnsworth,
 Second Lieut. Herbert F. E. Bultman,
 Second Lieut. Donald F. McClure,
 Second Lieut. Wilton B. Persons,
 Second Lieut. Homer Case,
 Second Lieut. Edward P. Sykes,
 Second Lieut. John V. Ray,
 Second Lieut. Burleigh A. Lum,
 Second Lieut. Wilbur S. Vaughan,
 Second Lieut. Reginald S. Fleet,
 Second Lieut. Roland D. Hawkins,
 Second Lieut. Melzar M. Whittlesley,
 Second Lieut. Roscoe P. De Witt,
 Second Lieut. John G. Murphy,
 Second Lieut. Walter J. Collet,
 Second Lieut. Joe J. Miller,
 Second Lieut. John Van A. Mackenzie,
 Second Lieut. Frank J. McSherry,
 Second Lieut. George F. A. Mulcahy,
 Second Lieut. Charles S. Hammond,
 Second Lieut. William B. Jones,
 Second Lieut. Cornelius S. Whittelsey,
 Second Lieut. Carleton, E. Saecker,
 Second Lieut. Robert B. Adams,
 Second Lieut. Clarence C. Harshman,
 Second Lieut. Lewis J. Taylor,
 Second Lieut. Pennock H. Orr,
 Second Lieut. John K. Christmas,
 Second Lieut. James M. Harris,
 Second Lieut. Walter B. Littlefield,
 Second Lieut. Philip H. Middleditch,
 Second Lieut. Wilfrid W. Montagne,
 Second Lieut. Donald B. Webster,
 Second Lieut. George B. Roberts,
 Second Lieut. Frank E. O'Neill,
 Second Lieut. Banks G. Moreland,
 Second Lieut. Monroe Warren,
 Second Lieut. James M. Ralston,
 Second Lieut. Ransom D. Spann,
 Second Lieut. Donald G. Crowell,
 Second Lieut. Arthur C. Hawkins,
 Second Lieut. Otto de Lorenzi,
 Second Lieut. Richard M. Kew,
 Second Lieut. Alexander G. Campbell,
 Second Lieut. Ernest R. Campbell,
 Second Lieut. Joseph G. Pringle,
 Second Lieut. John W. Card,
 Second Lieut. Jack Phinizy,
 Second Lieut. Manly B. Gibson,
 Second Lieut. Charles H. Hagelstein,
 Second Lieut. Huntington R. Hardwick,
 Second Lieut. Robert C. Jordon, jr.,
 Second Lieut. Malcolm S. Cone,
 Second Lieut. Alvah E. Moody,
 Second Lieut. Robert K. Gooch,
 Second Lieut. Oliver N. Hollis,
 Second Lieut. Cranston B. Rader,
 Second Lieut. Cedric E. Scheerer, and
 Second Lieut. Geoffrey Marshall.

PROMOTIONS IN THE ARMY.

INFANTRY.

To be first lieutenants.

Second Lieut. Joseph I. Cohen,
 Second Lieut. Henry A. Barber, jr.,
 Second Lieut. Robert A. Willard,
 Second Lieut. John M. Erwin,
 Second Lieut. William B. Carswell, jr.,
 Second Lieut. Wilson G. Bingham,
 Second Lieut. Charles C. Bartley,
 Second Lieut. Robert MacD. Graham,
 Second Lieut. Rudolph F. Whitelegg,
 Second Lieut. Loyd Van H. Durfee,
 Second Lieut. John H. Norton,

Second Lieut. William W. Paca,
 Second Lieut. John T. B. Bissell,
 Second Lieut. Charles A. Mahoney,
 Second Lieut. George S. Eyster,
 Second Lieut. Henry R. Anderson,
 Second Lieut. William McC. Chapman,
 Second Lieut. Kenneth P. Murray,
 Second Lieut. Roger W. Stenbridge,
 Second Lieut. Norman McNeill,
 Second Lieut. Glen H. Anderson,
 Second Lieut. Bryant E. Moore,
 Second Lieut. Leo V. Warner,
 Second Lieut. Howard A. Deas,
 Second Lieut. Henry W. Bobrink,
 Second Lieut. Onslow S. Rolfe,
 Second Lieut. Louis A. Freeman,
 Second Lieut. Henry P. Gantt,
 Second Lieut. Jesse B. Matlack,
 Second Lieut. Julius E. Schaefer,
 Second Lieut. Theodore D. Schmidt,
 Second Lieut. Parry W. Lewis,
 Second Lieut. Edward W. Timberlake,
 Second Lieut. Vincent N. Taylor,
 Second Lieut. William W. Jenna,
 Second Lieut. William R. Fleming,
 Second Lieut. Paul W. Cole,
 Second Lieut. Francis P. Simpson,
 Second Lieut. Harry C. Barnes, jr.,
 Second Lieut. Robert J. Hoffman,
 Second Lieut. Clare W. Woodward,
 Second Lieut. John S. Mallory,
 Second Lieut. Frederick D. Sharp,
 Second Lieut. William S. Barrett,
 Second Lieut. Paul R. Goode,
 Second Lieut. Harry N. Rising,
 Second Lieut. Josephus B. Wilson,
 Second Lieut. Henry C. Demuth,
 Second Lieut. Lowell M. Riley,
 Second Lieut. Edwin C. Maling,
 Second Lieut. George D. Watts,
 Second Lieut. Emil Krause,
 Second Lieut. Robert L. Bacon,
 Second Lieut. Walker G. White,
 Second Lieut. Earle E. Sarcka,
 Second Lieut. Edwin J. House,
 Second Lieut. Arthur C. Purvis,
 Second Lieut. James J. Hea,
 Second Lieut. Edgar B. Moomau,
 Second Lieut. Frank S. Long,
 Second Lieut. Carlisle B. Wilson,
 Second Lieut. William E. Whittington,
 Second Lieut. Harold L. Milan,
 Second Lieut. Robert A. Bringham,
 Second Lieut. Horace Harding,
 Second Lieut. Earle A. Billings, and
 Second Lieut. Royal H. Place.

COAST ARTILLERY CORPS.

To be first lieutenants.

Second Lieut. Dean I. Piper,
 Second Lieut. Otto M. Jank,
 Second Lieut. Herman U. Wagner,
 Second Lieut. Philip S. Day,
 Second Lieut. George W. Hirsch,
 Second Lieut. Forrest C. Shaffer,
 Second Lieut. William R. Deeble, jr.,
 Second Lieut. Frank F. Reed,
 Second Lieut. John W. Coffey,
 Second Lieut. Frank C. Meade,
 Second Lieut. Lawrence Dwight,
 Second Lieut. Everett T. Brown,
 Second Lieut. Clyde H. Morganthaler,
 Second Lieut. Willard M. Hall,
 Second Lieut. Tracy C. Dickson, jr.,
 Second Lieut. Robert W. Hasbrouck,
 Second Lieut. Howard P. Faust,
 Second Lieut. John T. de Camp,
 Second Lieut. Wallace D. Collins,
 Second Lieut. Sargent P. Huff,
 Second Lieut. William H. Donaldson, jr.,
 Second Lieut. Henry M. Black,
 Second Lieut. Willard D. Murphy,
 Second Lieut. Council B. Palmer, and
 Second Lieut. John C. Hawkins.

TEMPORARY PROMOTIONS IN THE ARMY.

INFANTRY ARM.

To be colonels.

Lieut. Col. Paul Giddings,
 Lieut. Col. Edward S. Walton,
 Lieut. Col. Alfred T. Smith,
 Lieut. Col. Ira L. Reeves,
 Lieut. Col. Fred L. Munson,
 Lieut. Col. Thomas M. Anderson, jr.,
 Lieut. Col. John E. Hunt,
 Lieut. Col. Claude H. Miller, and
 Lieut. Col. Harold B. Fiske.

To be lieutenant colonels.

Maj. Edwin J. Nowlen,
 Maj. Raymond Sheldon,
 Maj. Edwin J. Bracken,
 Maj. George W. England,
 Maj. Clyde B. Parker,
 Maj. Alvin C. Voris,
 Maj. Frank R. Curtis,
 Maj. Fred L. Davison,
 Maj. George E. Kumpe,
 Maj. Milo C. Corey,
 Maj. Arthur M. Ferguson,
 Maj. De Witt W. Chamberlin,
 Maj. Walter H. Johnson,
 Maj. Robert G. Rutherford, jr.,
 Maj. Robert E. Grinstead,
 Maj. Albert S. Williams,
 Maj. William B. Graham,
 Maj. Charles J. Nelson,
 Maj. E. Alexis Jeunet,
 Maj. Charles H. Danforth,
 Maj. Gideon H. Williams,
 Maj. Leonard T. Baker,
 Maj. Charles S. Frank,
 Maj. Franklin S. Leisenring,
 Maj. Charles F. Andrews,
 Maj. Allan L. Briggs,
 Maj. James M. Petty,
 Maj. John B. Shuman,
 Maj. Charles G. Lawrence,
 Maj. Frederic G. Kellond,
 Maj. William P. Kitts,
 Maj. Walter Harvey,
 Maj. Frank B. Davis,
 Maj. Harry D. Mitchell,
 Maj. Ode C. Nichols, and
 Maj. Kirwin T. Smith.

To be majors.

Capt. Joseph E. Barzynski,
 Capt. Ben W. Feild,
 Capt. Bloxham Ward,
 Capt. Paul H. Clark,
 Capt. Thomas H. Lowe,
 Capt. James W. H. Reisinger, jr.,
 Capt. Rupert A. Dunford,
 Capt. Charles C. Bankhead,
 Capt. John P. Adams,
 Capt. Ira Longanecker,
 Capt. William C. Whitener,
 Capt. Frederick J. Ostermann,
 Capt. William J. Connolly,
 Capt. Everett D. Barlow, jr.,
 Capt. Lawrence E. Hohl,
 Capt. James G. Boswell,
 Capt. Arthur D. Minick,
 Capt. Paul R. Manchester,
 Capt. Byard Sneed,
 Capt. Oscar Westover,
 Capt. Martyn H. Shute,
 Capt. Fred A. Cook,
 Capt. George G. Bartlett,
 Capt. Henry B. Clagett,
 Capt. Richard H. Jacob,
 Capt. Ralph A. Jones,
 Capt. Hugo D. Schultz,
 Capt. Jacob E. Fickel,
 Capt. Jesse W. Boyd,
 Capt. Ebenezer G. Beuret,
 Capt. Rush B. Lincoln,
 Capt. Walter F. L. Hartigan,

Capt. Bruce Magruder,
 Capt. George H. Huddleson,
 Capt. George C. Keleher,
 Capt. Harry H. Pritchett,
 Capt. Edgar L. Field,
 Capt. Earl C. Buck,
 Capt. Jere Baxter,
 Capt. A. Ellicott Brown,
 Capt. James M. Lockett,
 Capt. Eugene Robinson,
 Capt. Jesse C. Drain,
 Capt. Alexander W. Chilton,
 Capt. William E. Morrison,
 Capt. Donald J. MacLachlan,
 Capt. Charles H. Rice,
 Capt. Irving J. Palmer,
 Capt. Melvin G. Faris,
 Capt. Alexander W. Maish,
 Capt. William J. McCaughey,
 Capt. Eugene R. Householder,
 Capt. Eugene Santschi, jr.,
 Capt. William A. Ganoe,
 Capt. Elmer F. Rice,
 Capt. Benjamin F. Castle,
 Capt. John W. Lang,
 Capt. George T. Everett,
 Capt. Henry H. Arnold,
 Capt. Walter R. Wheeler,
 Capt. Barton K. Yount,
 Capt. Denham B. Crafton,
 Capt. William E. Selbie,
 Capt. John L. Jenkins,
 Capt. Charles H. White,
 Capt. Alvin G. Gutensohn,
 Capt. Stanley L. James,
 Capt. John S. Sullivan,
 Capt. Bruce B. Buttler,
 Capt. Evan E. Lewis,
 Capt. Paul A. Larned,
 Capt. James H. Laubach,
 Capt. George R. Harrison,
 Capt. Ralph W. Dusenbury,
 Capt. Thomas C. Spencer,
 Capt. Fauntley M. Miller,
 Capt. Ray C. Hill,
 Capt. Patrick J. Morrissey,
 Capt. Thomas M. R. Herron, and
 Capt. John D. Reardan.

CORPS OF ENGINEERS.

To be lieutenant colonels.

Maj. Lewis H. Rand,
 Maj. Edward M. Markham,
 Maj. Thomas H. Jackson,
 Maj. George B. Pillsbury,
 Maj. Gustave R. Lukesh,
 Maj. John R. Slattery,
 Maj. Albert E. Waldron,
 Maj. Francis A. Pope,
 Maj. Gilbert A. Youngberg,
 Maj. Edward N. Johnston,
 Maj. Clarence O. Sherrill,
 Maj. Ernest D. Peck,
 Maj. George R. Spalding,
 Maj. Elliott J. Dent,
 Maj. William P. Stokely,
 Maj. Wildurr Willing,
 Maj. William A. Mitchell,
 Maj. Mark Brooke,
 Maj. Laurence V. Frazier,
 Maj. Harold C. Fiske,
 Maj. Max C. Tyler,
 Maj. Ulysses S. Grant, 3d,
 Maj. William H. Rose,
 Maj. Lewis M. Adams,
 Maj. William D'A. Anderson,
 Maj. Joseph H. Earle,
 Maj. Thomas M. Robins,
 Maj. Roger D. Black,
 Maj. Theodore H. Dillon,
 Maj. De Witt C. Jones,
 Maj. Ernest Graves,
 Maj. Francis B. Wilby,
 Maj. Clarence S. Ridley,

Maj. Alvin B. Barber,
 Maj. Roger G. Powell,
 Maj. John N. Hodges,
 Maj. James J. Loving,
 Maj. Edward D. Ardery,
 Maj. James G. Steese,
 Maj. Roger G. Alexander,
 Maj. James A. O'Connor,
 Maj. Lewis H. Watkins,
 Maj. Gilbert E. Humphrey,
 Maj. Richard Park,
 Maj. Daniel I. Sultan, and
 Maj. Glen E. Edgerton.

To be majors.

Capt. Clarence L. Sturdevant,
 Capt. Earl J. Atkisson,
 Capt. Richard T. Colner,
 Capt. Robert S. A. Dougherty,
 Capt. Stuart C. Godfrey,
 Capt. Francis C. Harrington,
 Capt. Cleveland C. Gee,
 Capt. John M. Wright,
 Capt. John R. D. Matheson,
 Capt. William H. Sage, jr.,
 Capt. Charles J. Taylor,
 Capt. Edwin H. Marks,
 Capt. Earl North,
 Capt. Albert H. Acher,
 Capt. Gilbert Van B. Wilkes,
 Capt. John C. H. Lee,
 Capt. Frank S. Besson,
 Capt. Lindsay C. Herkness,
 Capt. Albert K. B. Lyman,
 Capt. Frederick S. Strong, jr.,
 Capt. Daniel D. Pullen,
 Capt. Carey H. Brown,
 Capt. Oscar N. Solbert,
 Capt. Beverly C. Dunn,
 Capt. Donald H. Connolly,
 Capt. Raymond F. Fowler,
 Capt. David McCoach, jr.,
 Capt. James G. B. Lampert,
 Capt. Philip B. Fleming,
 Capt. John W. Stewart,
 Capt. Joseph C. Melhaffey,
 Capt. Paul S. Reinecke,
 Capt. Raymond A. Wheeler,
 Capt. W. Morris Chubb,
 Capt. Howard S. Bennion,
 Capt. William C. Sherman,
 Capt. Rudolph C. Kuldell,
 Capt. Roscoe C. Crawford,
 Capt. Earl G. Paules,
 Capt. Bradford G. Chynoweth,
 Capt. Milo P. Fox,
 Capt. John C. Gotwals,
 Capt. Francis K. Newcomer,
 Capt. Charles F. Williams,
 Capt. Gordon R. Young,
 Capt. Richard U. Nicholas,
 Capt. James A. Dorst,
 Capt. Rufus W. Putnam,
 Capt. Lunsford E. Oliver,
 Capt. William H. Holcombe,
 Capt. James B. Cress,
 Capt. Charles P. Gross,
 Capt. Bernard A. Miller,
 Capt. Peter C. Bullard,
 Capt. Brehon B. Somervell,
 Capt. Xenophon H. Price,
 Capt. Robert W. Crawford,
 Capt. Frederick S. Skinner,
 Capt. Dabney O. Elliott,
 Capt. Allen P. Cowgill,
 Capt. George F. Lewis,
 Capt. Harrison Brand, jr.,
 Capt. Frederick W. Herman,
 Capt. John H. Carruth,
 Capt. Oscar O. Kuentz,
 Capt. William E. R. Covell,
 Capt. Edwin R. Kimble,
 Capt. Joseph D. Arthur, jr., and
 Capt. Ernest F. Miller.

COAST ARTILLERY CORPS.

To be lieutenant colonels.

Maj. Malcolm Young,
 Maj. Laurence C. Brown,
 Maj. Harry L. Steele,
 Maj. Thomas F. Dwyer,
 Maj. James B. Mitchell,
 Maj. Alfred S. Morgan,
 Maj. Charles H. Hilton,
 Maj. Edward L. Glasgow,
 Maj. Percy Willis,
 Maj. William F. Stewart, jr.,
 Maj. Joseph B. Douglas,
 Maj. Hudson T. Patten,
 Maj. Edward Kimmel,
 Maj. John A. Procter,
 Maj. John B. Christian,
 Maj. Frederick W. Phisterer,
 Maj. Robert H. C. Kelton,
 Maj. Percy P. Bishop,
 Maj. Henry J. Hatch,
 Maj. Elmer J. Wallace,
 Maj. William F. Hase,
 Maj. William R. Doores,
 Maj. James F. Howell,
 Maj. Jesse C. Nicholls,
 Maj. Henry W. Schull,
 Maj. Clifton C. Carter,
 Maj. Stanley D. Embick,
 Maj. William H. Monroe,
 Maj. Leonard D. Waldron,
 Maj. Ernest A. Greenough,
 Maj. Alexander Greig, jr.,
 Maj. James A. Ruggles,
 Maj. Terence E. Murphy,
 Maj. Harry W. Newton,
 Maj. Allen D. Raymond,
 Maj. James R. Pourie,
 Maj. John L. Hughes,
 Maj. John W. C. Abbott,
 Maj. Harry T. Matthews,
 Maj. Harry C. Barnes,
 Maj. Stephen H. Mould,
 Maj. Louis S. Chappellear,
 Maj. Granville Sevier,
 Maj. Robert F. Woods,
 Maj. Albert C. Thompson,
 Maj. Ellison L. Gilmer,
 Maj. John McBride, jr.,
 Maj. Richard K. Cravens,
 Maj. George O. Hubbard,
 Maj. James M. Wheeler,
 Maj. Harrison S. Kerrick,
 Maj. Frank J. Miller,
 Maj. Philip S. Golderman,
 Maj. Charles L. Lanham,
 Maj. George F. Connolly,
 Maj. John S. Johnston,
 Maj. Joseph S. Hardin,
 Maj. Louis E. Bennett,
 Maj. George L. Hicks, jr., and
 Maj. Lynn S. Edwards.

FIELD ARTILLERY ARM.

To be colonels.

Lieut. Col. Clarence N. Jones,
 Lieut. Col. Frederick B. Hennessy,
 Lieut. Col. Laurin L. Lawson, and
 Lieut. Col. John W. Kilbreth, jr.

To be lieutenant colonels.

Maj. Walter S. Sturgill,
 Maj. Sherman Miles,
 Maj. Cortlandt Parker,
 Maj. Richard C. Burleson,
 Maj. Joseph R. Davis, and
 Maj. John R. Starkey.

To be majors.

Capt. Horace H. Fuller,
 Capt. John M. McDowell,
 Capt. Raymond E. Lee,
 Capt. Jason McV. Austin,
 Capt. Belton O'N. Kennedy,
 Capt. Burton O. Lewis,

Capt. Herbert R. Odell, and
 Capt. Clyde A. Selleck.

To be captains.

First Lieut. Bertram N. Rock,
 First Lieut. Alexander S. Quintard,
 First Lieut. Marcus A. S. Ming,
 First Lieut. Lewis E. Goodrich,
 First Lieut. Victor R. Woodruff,
 First Lieut. Robert W. Yates, and
 First Lieut. Dan C. Schmahl.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named lieutenant commanders to be commanders:

William R. Sayles, jr., and

Charles R. Train.

Lieut. Edgar G. Oberlin to be a lieutenant commander.

The following-named lieutenants (junior grade) to be lieutenants:

Karl F. Smith,

Willis A. Lee, jr., and

Edwin Guthrie.

Medical Inspector Charles P. Kindleberger to be a medical director with the rank of captain.

The following-named medical inspectors to be medical directors with the rank of captain:

Arthur W. Dunbar and

Theodore W. Richards.

Surg. Joseph C. Thompson to be a medical inspector with the rank of commander.

Surg. Karl Ohnesorg to be a medical inspector with the rank of commander.

Surg. Frederick W. S. Dean to be a medical inspector with the rank of commander.

The following-named passed assistant surgeons to be surgeons with the rank of lieutenant commander:

William H. Short,

Herbert L. Kelley, and

Julian T. Miller.

The following-named surgeons to be medical inspectors with the rank of commander, for temporary service:

Clarence F. Ely,

Albert J. Geiger,

Perceval S. Rossiter,

Charles C. Grieve, and

John D. Manchester.

The following-named officers to be lieutenant commanders for temporary service:

Howard H. Crosby,

George E. Brandt,

William C. Owen,

Francis T. Chew,

Francis Cogswell,

James McC. Irish,

John B. Staley,

Charles H. Davis, jr.,

Paul E. Speicher,

Arthur S. Carpender,

John L. Kauffman,

Robert A. Burg,

William D. Brereton, jr.,

Harrison E. Knauss,

William R. Munroe,

Schamyl Cochran,

Albert M. Penn,

William F. Gresham,

Robert O. Baush,

Paul H. Bastedo,

John C. Hilliard,

Philip Seymour,

Frank R. Berg,

Andrew D. Denney,

Charles M. Yates,

Stuart O. Greig,

James C. Van de Carr,

John C. Cunningham,

Jabez S. Lowell,

John F. Shafroth, jr.,

Karl F. Smith,

Ernest W. McKee,

Dallas C. Laizure,

Jules James,

John F. McClain,

John R. Beardall,

Archibald H. Douglas,

Rufus King,
Timothy J. Keleher,
Howard B. Meclary, and
Willis A. Lee, jr.

The following-named officers to be lieutenants for temporary service:

Leon S. Fiske,
Earl M. Major,
William F. Loventhal,
Paul R. Glutting,
Harold M. Horne,
Walter E. Borden, jr.,
Arthur T. Emerson,
Arthur C. Geisenhoff,
Grover C. Klein,
William F. Boyer,
Bartley G. Furey,
Willard A. Kitts, 3d,
Bertram J. Rodgers,
Carroll W. Hamill,
Clinton H. Havill,
Lew W. Bagby,
Byron S. Dague,
Lyman K. Swenson,
Frank E. Beatty, jr.,
Gall Morgan,
Woodbury E. Mackay,
Gilbert F. Bunnell,
Thorwald A. Solberg,
Clifford H. Roper,
Edward P. Sauer,
Augustus J. Selman,
John H. Carson,
Milton O. Carlson,
Robert B. Carney,
Arthur W. Radford,
George F. Martin,
John A. Vincent,
Bernard F. Jenkins,
Boyd R. Alexander,
Edward L. Ericsson,
Frederick B. Craven,
Richard R. Claghorn,
Edwin S. Earnhardt,
John M. Bloom,
John E. Williams,
Jesse L. Kenworthy, jr.,
Webster M. Thompson,
Albert E. Schrader,
Louis R. Vail,
William R. Casey,
Paul S. Goen,
Archibald E. Fraser,
Harry V. Baugh,
Dennis L. Ryan,
Andrew DeG. Mayer,
Arnold H. Bateman,
Charles G. Halpine,
Charles T. Joy,
John S. Watters, jr.,
Alva J. Moore,
Walter W. Webb,
Nelson N. Gates,
Henry L. Phelps,
Benjamin R. Holcombe,
Archer W. Webb,
Charles G. Berwind,
John E. Reinburg,
William L. Keady,
John A. Terhune,
Charles J. Wheeler,
Theodore T. Patterson,
John A. Sternberg,
George P. Brewster,
Samuel P. Ginder,
Henry B. Broadfoot,
Van H. Ragsdale,
John Wilkes,
Robert J. Walker,
Robert B. Twining,
Homer L. Grouskopf,
William P. Bacon,
Henry N. Fallon,
Wilbur W. Feineman,
Maxwell Cole,

Bruce P. Flood,
Henry J. White,
Oscar W. Erickson,
Gilbert W. Sumners,
Henry C. Merwin,
Fred D. Kirtland,
James M. Steele,
Arthur D. Burhans,
Casper K. Blackburn,
Amos B. Root,
Thomas D. Warner,
Paul W. Rutledge,
T. De Witt Carr,
Albert M. Rhudy, and
Charles P. Cecil.

The following-named officers to be lieutenants (junior grade) for temporary service:

Michael Higgins,
George Crofton,
William J. Creelman,
Herbert E. Fish,
Walter S. Falk,
Barnett B. Bowie,
James J. Cullen,
John P. Richter,
John R. Burkhart,
John R. Likens,
Charles Franz,
Frank O. Wells,
Thomas W. Smith,
Bernhard Christensen,
Raymond L. Drake,
Henry Lobitz,
John Danner,
James F. Hopkins,
Charles Schonborg,
Walter J. Wortman,
Alexander Stuart,
William Derrington,
Frank D. Blakely,
James F. McCarthy,
Frederick T. Montgomery,
Harry Adams,
Henry Rieck,
John Sperle, jr.,
Constantine Clay,
Roderick M. O'Connor,
William Herzberg,
Jarrard E. Jones,
Zenas A. Sherwin,
Paul R. Fox,
Otto Boldt,
John B. Martin,
Arthur H. Hawley,
David W. Harry,
Charles S. Wolf,
George R. C. Thompson,
Olav Johnson,
Ole P. Oraker,
Byron C. Howard,
William S. White,
Francis G. Randall,
Franz J. M. Parduhn,
Henry I. Edwards,
Christopher Murray,
John P. Judge,
John C. Linberg,
Birney O. Halliwill,
Albert Seeckts,
William C. Bean,
James A. Martin,
William H. Dayton,
Edward W. Furey,
Arthur W. Bird,
Willis Dixon,
Charles Allen,
Adolph Peterson,
William E. O'Connell,
Harry T. Johnson,
Harry N. Huxford,
Thomas James,
William Fremgen,
Daniel W. Nelson,
Joseph H. Aigner,
Clarence D. Holland,

Frederick T. Lense,
 Axel V. Kettels,
 John W. Merget,
 Albert A. Hooper,
 Harry Champeno,
 George R. Veed,
 Niels A. Johnsen,
 Isidor Nordstrom,
 Charles H. Foster,
 James H. Bell,
 John J. Clausey,
 Charles H. Anderson,
 Edward S. Tucker,
 Charles Dunne,
 George J. Lovett,
 Walter Collins,
 Frederick W. Teepe,
 Edwin W. Abel,
 Albert C. Byrne,
 George L. Russell,
 Orrin R. Hewitt,
 Otto T. Purcell,
 William R. Gardner,
 Joseph R. Bradshaw,
 George W. Fairfield,
 William M. Miller,
 Joseph C. Stein,
 Louis F. Miller,
 Robert M. Huggard,
 Paul B. Cozine,
 Earl F. Holmes,
 John Atley,
 Gregory Cullen,
 Bertram David,
 George Knott,
 Thomas Macklin,
 Richard O. Williams,
 Michael Macdonald,
 Charles S. Schepke,
 George D. Samonski,
 William O. King,
 James E. Orton,
 William Cronan,
 Charles L. Bridges,
 Arthur Langfield,
 Albert Klingler,
 John Ronan,
 William Seach,
 William T. McNiff,
 Meade H. Eldridge,
 Ernest R. Piercey,
 William R. Buechner,
 Bernhard Schumacher, and
 Benjamin F. Singles.

Lieut. Maurice R. Pierce to be a lieutenant commander for temporary service.

Lieut. Charles L. Best to be a lieutenant commander for temporary service.

Lieut. (Junior Grade) Calvin T. Durgin to be lieutenant for temporary service.

Lieut. (Junior Grade) Humbert W. Zirolli to be a lieutenant for temporary service.

Ensign Charles B. Babson to be a lieutenant (junior grade) for temporary service.

The following-named chief warrant officers to be ensigns for temporary service:

Charles B. Babson,
 Thomas W. Smith,
 William Derrington, and
 Henry McEvoy.

Machinist Claude S. Padgett to be an ensign for temporary service.

Boatswain Walter B. Buchanan to be an ensign for temporary service.

The following-named officers to be ensigns for temporary service:

William M. Fester,
 Clarence E. Miller,
 Homer E. Curlee,
 Stuart L. Johnson,
 Joe B. Cadenbach,
 John L. Kershaw,
 Patrick H. Foley, and
 Harold D. Kent.

The following-named enlisted men to be ensigns for temporary service:

William J. Lowe,
 Thomas F. Eagan,
 Carl H. Forth,
 William W. Funk,
 Ivan E. Pitman,
 Henry C. Vogt,
 Vern W. McGrew,
 Frank A. Jahn,
 Gustave O. Kolle,
 Robert N. Lockart,
 Conrad L. Bayer,
 Edward J. Sherry,
 Richard E. Miegel,
 William T. Crone,
 Albert F. Holst,
 Gilbert R. Whitworth,
 Conrad E. Nordhus,
 Arthur E. Redding,
 Richard Higgins,
 David R. Knape, and
 Marcus L. Kurtz.

The following-named to be ensigns for temporary service:

John F. W. Gray,
 Gysbert V. S. Harvey,
 James L. Lohrke,
 Fred P. Ritchie,
 John G. Kenlon,
 Hancock Banning, jr.,
 Enoch S. Farson, jr., and
 Michael Spring.

The following-named officers to be rear admirals for temporary service:

Joseph Strauss,
 Edward W. Eberle, and
 Robert E. Coontz.

The following-named officers to be captains, for temporary service:

Leigh C. Palmer,
 Albert W. Marshall,
 Thomas A. Kearney,
 Dudley W. Knox,
 Edward McCauley, jr.,
 William L. Littlefield,
 Earl P. Jessop,
 Arthur Crenshaw,
 Amon Bronson, jr.,
 Harry E. Yarnell,
 Arthur MacArthur,
 David E. Theleen,
 Arthur J. Hepburn,
 Thomas C. Hart,
 Cyrus R. Miller,
 Orin G. Murfin, and
 Luther M. Overstreet.

The following-named officers to be commanders, for temporary service:

David McD. LeBreton,
 Andrew C. Pickens,
 Nathaniel H. Wright,
 Prentiss P. Bassett,
 Husband E. Kimmel,
 Robert A. Daves,
 Paul E. Dampman,
 Clyde S. McDowell,
 Paul P. Blackburn,
 Charles C. Soule, jr.,
 Charles H. Bullock,
 Lawrence P. Treadwell,
 Halsey Powell,
 Forde A. Todd,
 Cleon W. Mauldin,
 Chester L. Hand,
 Aubrey K. Shoup,
 Abram Claude,
 Nathan W. Post,
 William F. Halsey, jr.,
 Roscoe F. Dillen,
 Allen B. Reed,
 Christopher R. P. Rodgers,
 David W. Bagley,
 Walter A. Smead,
 Arthur C. Kail,

Clarence E. Wood,
 Max M. Frucht,
 Charles S. Joyce,
 Ormond L. Cox
 Royal E. Ingersoll,
 Herbert F. Leary,
 Chester W. Nimitz,
 Reuben B. Coffey,
 Joseph V. Ogan,
 Albert T. Church,
 Logan Cresap,
 John N. Ferguson,
 Louis C. Farley,
 Arthur C. Stott,
 William S. McClintic,
 Byron McCandless,
 Roscoe C. MacFall,
 Robert L. Irvine,
 Bruce L. Canaga, and
 Walter B. Woodson.
 Robert A. Barnett, Jr., to be a second lieutenant in the Marine Corps, for temporary service.

POSTMASTERS.

KENTUCKY.

Barbara A. Hogue, Benham.
 C. E. Barnett, Earlington.
 Sarah W. Simms, Springfield.
 Lewis P. Martin, Wayland.
 Samuel F. King, Winchester.

MINNESOTA.

Erick L. Slindee, Adams.
 Frank W. Zaffke, Backus.
 Joseph S. Stearns, Campbell.
 Charles G. Leppla, Fort Snelling.
 C. Edward Sarff, Keewatin.
 P. Andrew Bromstad, Milan.
 Walter L. O'Neill, Remer.

HOUSE OF REPRESENTATIVES.

SATURDAY, February 16, 1918.

The House met at 12 o'clock noon.

The Rev. William Couden, of Washington, D. C., offered the following prayer:

Dear God, our loving Father in Heaven, "Thou hast made us for Thyself and our souls are restless until they find their rest in Thee." Comes to us once more the fleeting, precious moment when we are wont to enter into communion with Thee through the gate of prayer. Be it for us a shelter from care and a retreat for peace, cleansing, and preparation. Banish from us our sin, our worldliness, our unbelief. Grant unto us in the stress of many conflicts and the clamor of many voices serenity of spirit and steadfastness to truth. Keep ever before us the cross of Christ, the sign of his sacrifice and triumph, the emblem of Thy love for us, the measure of our value to Thee, the symbol of our possible service to each other, and the mark of our eternal hope. And to-day and all our days, dear Lord, help us "that by the practice of those things we know to be true we may be led forward to a knowledge of those things we can not now comprehend." Through Jesus Christ, our Lord, amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States, by Mr. Sharkey, one of his secretaries, was received.

PERSONAL EXPLANATION.

Mr. JOHNSON of Kentucky. Mr. Speaker, I will be glad if the House will indulge me not to exceed three minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Speaker, in the Evening Star of yesterday I find the following:

Chairman JOHNSON, in his policy of legislation by slander, has attempted to beat down all criticism or suggested amendment of the details of his bill by slurring sweepingly not only the Star but all Washington real estate men, representing all local landlords, and even his fellow Representatives who had the audacity to attempt to improve his bill. Of the committee representing the Real Estate Brokers' Association, Chairman JOHNSON says: "They and their clients are the profiteers."

I should apply the short and ugly word to that, Mr. Speaker, but I shall refrain from doing so, and simply say that the newspaper maliciously has garbled what I said, and has put me in a position of saying what I did not say. I did not refer in that connection to the Real Estate Brokers' Association, but instead to "real estate men" other than to that association. Further along the newspaper says:

In deprecating a hearing of the association's committee, he says: "Would the gentleman advocate giving burglars and thieves a hearing in preparing laws to stop them from their practices?"

Now, Mr. Speaker, what I did say will be found on page 2112 of the RECORD, and it is this:

But in this instance the Washington Star is confronted by a double question—the Government clerks upon one side, to whom it wishes to sell its papers, and the real estate men upon the other side, from whom it receives hundreds of thousands of dollars every year in the way of pay for advertisements.

Now, what I said referred to the "real estate men" and not to those of the Real Estate Brokers' Association who came to see me about the matter. Concerning the gentlemen who compose the special committee of the Real Estate Brokers' Association I have no word of criticism, but instead words of commendation. Mr. Wardman is one of those gentlemen, and never yet in any of the correspondence that has reached me, or the telephone messages, or people who have come to see me, have I heard anybody charge him for profiteering; but, on the other hand, I have heard people say that he has protested against it, and would not permit people in his apartments to do so. Of Mr. Fairfax I have never heard any criticism. I never heard a word against Mr. Story. On the other hand, I have heard words of praise of him.

If the Star or anybody else has so distorted my remarks or has misunderstood my remarks as reflecting upon any of these gentlemen, I regret it exceedingly. If I have been so unfortunate as to have my remarks susceptible to that sort of construction, I regret that. If, in the excitement of debate, I have said anything reflecting on these gentlemen, I certainly am most sorry for it and apologize to them for it.

Now, there is another place, on page 2124 of the RECORD. The gentleman from Massachusetts [Mr. TINKHAM] was saying:

Now, Mr. Chairman, only one word in closing, and that is this, that the minority of the Committee on the District of Columbia are as sincerely desirous of stopping unfair profiteering in the District of Columbia, or in any other part of the United States, as the majority, or the honorable Representative from Kentucky [Mr. JOHNSON]; but they do not want to pass a bill which they believe is not only unconstitutional, in at least one of its phases, but unworkable, and which will not produce the results which are believed by both sides to be desirable. If therefore believe that one of three courses should be followed in relation to this bill: As no hearings were given and only an hour and a half given to the consideration by the committee, it should be referred back to the committee for reformation, or—

Mr. JOHNSON of Kentucky. Will the gentleman yield just there?

Mr. TINKHAM. I will.

Mr. JOHNSON of Kentucky. Would the gentleman advocate giving burglars and thieves a hearing in preparing laws to stop them from their practices?

There I was simply inquiring whether or not the gentleman would be willing to go beyond the Real Estate Brokers' Association in the hearings, or whether he would consent to let the profiteers come there and take up the time and delay the hearings on the bill. I meant nothing more than that. And yet the Evening Star, in its ugliness, has put me in the attitude of applying that language to the Real Estate Brokers' Association, when I never intended to do so, and the writer of that article knew, when he garbled what I said, that he was doing so for the purpose of misrepresenting me.

NOTIFICATION OF ILLNESS OF SOLDIERS.

Mr. REAVIS. Mr. Speaker, I ask unanimous consent for the present consideration of House joint resolution 228, to provide notification of illness of soldiers.

The SPEAKER. The gentleman from Nebraska asks unanimous consent for the present consideration of House joint resolution 228, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That in all cases where an enlisted man or officer of the United States Army is admitted to an Army hospital in continental America on account of a dangerous injury or disease, and in all cases of admission for slight illness or injury and the same becomes dangerous after such admission, immediate notice shall be given to the nearest relative of such enlisted man or officer under such rules and regulations as the Secretary of War may prescribe.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, as I understood the reporting of the resolution—

Mr. FOSTER. Mr. Speaker, I want to reserve the right to object.

Mr. STAFFORD (continuing). The Clerk read the committee amendment instead of the original resolution.

Mr. SHERLEY. Mr. Speaker, I feel constrained, in view of the necessity of getting through with the deficiency appropriation bill to object to the consideration of such matters at this time.

The SPEAKER. The gentleman from Kentucky objects.

Mr. REAVIS. Will the gentleman reserve his objection?

Mr. SHERLEY. No; it is because I do not want to take time that I am objecting, not because I am hostile to what the gentleman desires.

Mr. REAVIS. If there was any intention of time being taken on the resolution—

The SPEAKER. It is not debatable.

Mr. FERRIS. Mr. Speaker, I rise to a question of personal privilege.

Mr. DOWELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Iowa makes the point of order that there is no quorum present. Evidently there is not.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Clerk will call the roll. The Sergeant at Arms will notify the absentees. The Doorkeeper will close the doors.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Drukker	Jones, Tex.	Sabath
Austin	Dyer	Kahn	Sanders, Ind.
Bacharach	Egan	Kennedy, Iowa	Sanders, La.
Beakes	Edmonds	Kettner	Schall
Beshlin	Estopinal	Kless, Pa.	Scott, Mich.
Black	Fairchild, G. W.	LaGuardia	Scott, Pa.
Bowers	Farr	Linthicum	Scully
Britten	Fess	Lobeck	Siegel
Brodbeck	Flynn	McCormick	Sims
Browning	Francis	McLaughlin, Pa.	Smith, T. F.
Brumbaugh	Glass	Magee	Stephens, Nebr.
Burroughs	Gould	Maher	Sterling, Ill.
Butler	Graham, Pa.	Mann	Strong
Byrnes, S. C.	Gray, Ala.	Meeker	Sullivan
Cantrill	Gray, N. J.	Miller, Minn.	Swift
Capstick	Greene, Mass.	Morin	Talbott
Caraway	Griest	Mudd	Templeton
Carew	Harrison, Va.	Neely	Vare
Church	Hastings	Nelson	Ward
Clark, Pa.	Heaton	Nicholls, S. C.	Wason
Coady	Heintz	Nichols, Mich.	Webb
Cooper, Ohio	Hensley	Parker, N. Y.	Wheeler
Costello	Hollingsworth	Platt	White, Me.
Cox	Hood	Riordan	Wilson, La.
Curry, Cal.	Hull, Iowa	Rosenberg	Winslow
Dallinger	Husted	Rose	Wood, Ind.
Davidson	Hutchinson	Rouse	
Doelling	Johnson, S. Dak.	Rowland	

The SPEAKER. On this call 319 Members have answered to their names, a quorum.

Mr. SHERLEY. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

PERSONAL EXPLANATION.

Mr. FERRIS rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to proceed for 20 minutes in reference to a personal matter.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to address the House for not to exceed 20 minutes. Is there objection?

Mr. GILLETT. Mr. Speaker, on what subject?

Mr. FERRIS. I want to make some remarks upon the gentleman's speech of yesterday concerning myself.

Mr. GILLETT. I have no objection.

The SPEAKER. Is there objection?

Mr. GREEN of Iowa. Mr. Speaker, reserving the right to object, I shall not object, but I hope that the other side will be as liberal on similar occasions.

The SPEAKER. Is there objection?

Mr. SHERLEY. Mr. Speaker, I desire simply to say that the gentleman has the right to take the floor as a matter of personal privilege, and, wanting to expedite the consideration of the deficiency bill, I believe this is the best way to do it.

Mr. GILLETT. Mr. Speaker, I would like to know what right he has as a matter of personal privilege?

Mr. SHERLEY. I think clearly under the precedents there is enough there to take at least 20 minutes' time in argument.

Mr. GILLETT. I am perfectly willing that the gentleman should have the time.

The SPEAKER. The gentleman is recognized for 20 minutes.

Mr. FERRIS. Mr. Speaker, I am not ordinarily thin skinned, and I am not thin skinned now. I have a consciousness that I did no wrong in inserting that article, and I have it now.

The gentleman from Massachusetts [Mr. GILLETT], the leader on the Republican side, thinks that I made an error in incorporating an editorial in the RECORD of February 4, it being a signed editorial by ex-Gov. Martin H. Glynn, of New York. It was not a fugitive article at all; it was signed at both ends. The headline said it was an editorial by Martin H. Glynn, and it was signed by him at the bottom. That brings the issue squarely. I think I made no mistake. The gentleman thinks I did. I ask that the Clerk, in my time, read the editorial, and then the House can see who is right and who is wrong about it.

The SPEAKER. Without objection, the Clerk will read.

Mr. GILLETT. Mr. Speaker, that editorial has been printed in the RECORD once, and I ask whether it is fair to have it printed again in this manner?

Mr. FERRIS. It is the only way that we can arrive at what is right and what is wrong. The gentleman says I inserted it wrongfully.

Mr. GILLETT. I said it was objectionable.

Mr. FERRIS. The gentleman said more than that.

Mr. GILLETT. I should like to know what I said.

Mr. FERRIS. I am very fond of the gentleman, and he has been liberal and generous to the House and he has not been overly partisan unless this is evidence of it, and I think the gentleman will do me the fairness to say that I have not been.

Mr. GILLETT. I agree to that.

Mr. FERRIS. I have as many friends on the Republican side as on the Democratic side, and I am not dealing in petty matters.

Mr. GILLETT. I simply wish to say that I was sorry yesterday to feel obliged to say what I did about the gentleman.

Mr. FERRIS. Let us have the article and we will see who is right.

Mr. GILLETT. I shall not object.

Mr. COOPER of Wisconsin. Mr. Speaker, what is the article that is to be read? The same one—

The SPEAKER. The article is an editorial or a circular letter, or something of the sort, written by ex-Gov. Glynn, of New York.

Mr. NORTON. Mr. Speaker, it is already in the RECORD.

The SPEAKER. The Chair understands that perfectly well.

Mr. COOPER of Wisconsin. If it is already in the RECORD, I object.

Mr. FERRIS. The gentleman can not object; it is in my own time, and I will not yield further.

Mr. WALSH. He can object.

Mr. FERRIS. I will read it myself.

Mr. WALSH. Mr. Speaker, I object to that.

Mr. FERRIS. The gentleman can not object to that.

Mr. WALSH. Mr. Speaker, I rise to a point of order.

The SPEAKER. What is the point of order?

Mr. WALSH. That under the rules of the House the gentleman can not read an article written by somebody else in his own time, if objection is made to it.

Mr. FERRIS. I do not think that objection is well taken and I do not yield.

Mr. WALSH. I cite Rule XXX.

Mr. CARTER of Oklahoma. Mr. Speaker, I make the point of order the gentleman from Oklahoma is reading from the CONGRESSIONAL RECORD.

The SPEAKER. Everybody knows that.

Mr. WALSH. Section 891, Mr. Speaker, on page 423—

Mr. FERRIS. Mr. Speaker, I do not want this taken out of my time.

The SPEAKER. It will not be taken out of the gentleman's time. Will the gentleman cite his authority?

Mr. WALSH. It is a note under Rule XXX.

The reading of papers other than the one on which the vote is about to be taken is usually permitted without question (citing Hinds' Precedents, vol. 5, 5258) and a Member in debate usually reads or has read such papers as he pleases, but this privilege is subject to the authority of the House if another Member objects.

The SPEAKER. On what page is that language?

Mr. WALSH. Section 891.

The SPEAKER. The Chair knows, but what part of the page?

Mr. WALSH. It is a foot note of this section 891, at the beginning of the paragraph of section 891. It further says:

This principle applies even to the Member's own written speech or a report which he proposes to have read in his own time or to read in his place.

I submit, now, that if objection is made—

The SPEAKER. The question is to be decided by vote of the House without debate whether this paper be read or not. Shall it be read?

The question was taken; and the Speaker announced that the ayes seemed to have it.

Mr. GILLETT. Division, Mr. Speaker.

The SPEAKER. The gentleman from Massachusetts demands a division.

The House divided; and there were—ayes 137, noes 101.

The SPEAKER. The Clerk will read the article.

The Clerk began the reading of the article.

Mr. FERRIS. Mr. Speaker, I want my request read, too, so it will show all the proceedings that there occurred.

The Clerk read as follows:

Mr. FERRIS. Mr. Speaker, I want to ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. FERRIS extended his remarks by inserting the following:

IT BECOMETH AND BEHOOVETH MR. WADSWORTH, MR. LODGE, MR. CHAMBERLAIN, MR. ROOSEVELT, AND ALL THEIR PHONOGRAPHIC CULT TO CHIRP LIKE A CRICKET, NOT ROAR LIKE A LION.

[An editorial by former Gov. Martin H. Glynn, of New York, in the Times-Union, Albany, N. Y., Jan. 28, 1918.]

To-day the people of this country can be divided into two camps.

Those who wanted war at any price.

And those who hoped for peace, if peace could be maintained without the sacrifice of national honor.

Now, we are at war and we have the astonishing anomaly of the leaders of the "war buzzards" trying to gnaw the vitals out of our Commander in Chief, while the great majority of those who stood for peace while peace spelled honor are upholding the President's hands as Aaron and Hur upheld the hands of Moses in his battle with Amalek.

The present volcanic attack against the war policies of President Wilson is no haphazard incident. It is a well-laid plot, nicely trained and strategically timed. Its purpose, no matter how secretive its sponsors, how insinuating its methods, how seductive its arguments, is to give the Republican Party a majority in the next House of Representatives and to pave the way for a Republican President in 1920. From a political point of view this may be tolerable; from a patriotic aspect, in a national crisis like this, it is odious and detestable.

The business of the Nation to-day is to win the war, and the political leaders, who for party gain or personal aim lay the slightest obstacle in the way of the happy consummation of this business, clothe themselves in a diabolical livery and surround their political machinations with a brimstone scent, a sulphurous odor offensive to the people who revere patriotism in politics but abhor politics in patriotism.

For months Col. Roosevelt has been injecting politics into the war through his articles in the Kansas City Star and Metropolitan Magazine. With craft and caution he has planted a bomb, intended to blow President Wilson out of political existence, and in this "Guy Fawkes" plot he has had the unctuous assistance of Senator Lodge, of Massachusetts, and the crafty support of Senator Wadsworth, of New York. But cunning and unctuousness can not win a contest like this. The mountain of truth is too big to be discolored by such daubing brushes, the facts too potent to be minimized by impish dissimulation or distorted by cunning castigation.

The Bible says he who draws the sword shall perish by the sword. Well, Roosevelt and his followers first drew the political sword in this dispute, and with their assumptive valor they should not cry for quarter before the blade of their own rapier.

For 16 years before the present Democratic administration the Republican Party was the custodian of the welfare of this Nation, and in all these 16 years it did but little to put this country on a basis of adequate preparation for war. Grover Cleveland started the American Navy on its way to imperial strength, but Theodore Roosevelt, as President of the United States, inaugurated a naval program that curtailed the Cleveland policy. Great as our Navy is to-day, it would be far greater still if the policy of Cleveland had prevailed and the plans of Roosevelt buried in the bottom of the sea. And as it was with the Navy, so was it with the Army, for Theodore Roosevelt left the Army of the United States weaker than he had found it seven years before.

No sooner, however, had Woodrow Wilson, with his panoramic view of the history of the world in peace time and in war time, his thorough knowledge of Democratic aspirations and economic possibilities, his sympathy with the masses and his consideration of the classes—no sooner had he become President of the United States than the wheels of progress were set in motion to equip this Nation as years before she should have been equipped for the solution of pressing national problems and the handling of contingencies of an international nature.

The rehearsal of all the legislation of President Wilson to carry out this progressive program would be superfluous here. The world knows it by heart. It insures him a splendid place in the annals of statesmanship. It is the unmistakable triumph of the democratic yearning with which the heart of mankind throbs and pulses to-day. And it carried Woodrow Wilson to wonderful victory in 1916 against an avalanche of money and a labyrinth of intrigue.

[Laughter on Republican side.]

His Federal reserve-bank law, which Mulhall, the famous English economist, said was of more worth to the world than the Panama Canal, saved this country, with the advent of the war, from the most stupendous panic in history and enabled us to ride the tumultuous waters of "world-war" finance with hardly a squeak or a tremor of our old ship of state. Without this Federal reserve bank to-day the United States would be grinding and pounding on the rocks of disaster. Nor is this all.

From a vision almost prophetic came the Federal revenue bill which wrung a lordly portion of governmental revenue from internal taxes instead of from tariff imposts which under the baneful influence of war dwindled to a sum insufficient to provide lubrication for our gears of Government, let alone provide fuel for the Treasury boiler that makes the wheels of national life go round.

Our national experience since the war started must carry conviction to every fair-minded American that for these two measures alone we owe an ineffable debt of gratitude to the wisdom and statesmanship of Woodrow Wilson.

And of our military realm we have the self-same tale.

Theodore Roosevelt may indulge himself in all the weird juggling of language that pleases his fancy; he may insensate himself in such inspirational riot of emotional frenzy as may give fire to his tongue and flare to his imagination; but the fact remains undeniable, ineffaceable, irremovable, that in two years of ante bellum days Woodrow Wilson

did more to put our Army and our Navy on a footing of war than both William Howard Taft and Theodore Roosevelt did in the whole 11 years of their supine reign.

[Laughter on Republican side.]

During these two years preparedness for a possible war was pushed by President Wilson as fast as the sentiment of the country would permit and quite as fast as even the most violent of his present-day critics then deemed expedient or politic.

Suddenly, however, conditions created by the autocratic dogmatism of Germany disregarding treaties and throwing promises to the winds, hurled us into the seething whirlpool of war. Then the very men who had been at the helm of the ship of state for 16 years, the men whose policies had weakened the Army and stunted the Navy, began to howl because we could not equip a million men overnight and put them in the trenches of France in a day. They forgot the experience of England; they forgot the experience of France; they forgot their own neglect of our martial strength; they forgot everything but their own personal advertisement and their own political advancement.

Mythology tells us that Minerva sprang full-armed from the mind of Jupiter, and despite the fact that the age for mythological miracles has passed, these acrimonious critics demanded that the United States whistle rifles out of the air and by some sort of prestidigitatorial art transform a million civilians into full-trained soldiers between the sinking and the rising of the sun. What these critics had failed to do in 16 years, they insist that Woodrow Wilson should do in 16 days. The wind listeth in the night, the dew falls, the stars come out, the moon works her magic charm, and behold at dawn a full-grown mushroom whitens the lawn where at sunset only an embryonic stalk snuggled in the grass. This is the kind of marvel, this the kind of impossible legerdemain that Col. Roosevelt and his school demand should be duplicated in our military world. They demand that an invincible Army be created overnight out of wind and dew, starlight and moonshine. But they fail to provide the Aladdin's lamp with which to work the miracle; they fail to furnish the necromantic art wherewith to ram into a night the task of a decade.

And this miracle, too, they demand in the teeth of the hoary-headed truth that from the days of Washington, Franklin, and Adams this Nation has set its face against a militaristic policy. A large Army, a potential Military Establishment, has been the ghost that has given this country sleepless nights for 140 years—a factitious ghost, perhaps; but nevertheless a ghost hypnotic in its influence and awesome in its sway. And the Navy, too, has been hampered by a short-sighted sentiment of the great interior part of the country whose congressional Representatives persistently opposed large naval appropriations from fear of retrenchment against the "home-town" projects of their own native heaths. For this ingrained repugnance to a big Army, an adequate Navy, neither the Republicans of to-day or the Democrats of to-day are to blame. The fault lies at the door of the predominant sentiment of the Nation since 1776. And as we have sown; so to-day we reap.

Gen. Winfield Scott, one of the world's greatest soldiers, compressed an historic situation in a nutshell when he said, "Republics are never prepared for war."

The business of Republics is peace; the business of autocracies is war. Autocracy lives by the sword. The father and grandfather of Frederick the Great said so; Frederick himself said so; and so saith the Kaiser, and the Crown Prince, too.

A love and a craving for peace, however, form the very genesis of a republic. To this genesis republics are true; from this genesis republics depart only at the call of honor or the command of necessity.

Hence it is, though critics may forget, the people remember, that in eight months of war the United States, under the leadership of Woodrow Wilson, has done twice as much, and even more, than England and France did in the corresponding period of time. The accusations, the exaggerations, the fabrications, the distortions of supercilious censors and envious-fanged contemners of the Wilsonian policies wear such a flimsy gossamer covering as to expose this political plot in all its naked hideousness.

We make no claim that the administration has created sunbeams out of cucumbers or performed feats beyond the pale of human possibility, but we do maintain that its efforts have been amazing, its accomplishments beyond compare in the history of modern warfare.

We have not whipped the Kaiser yet, but we will whip him if calumniating critics do not dampen the fires of enthusiasm or grease the tracks whereon must ride our national chariots of war. We have more men in France to-day than Roosevelt knows or Germany suspects, and a million more are waiting for the ships.

We have an Army so well cared for that the death rate in our ranks for the four months ending January 1, 1918, averaged only 7.5 per thousand—a death rate, mind you, less than the death rate for men of a like age in peaceful vocations at home. Compare this with the death rate of 20.14 per thousand under the good old Republican rule of the days of the Spanish-American War. Compare these figures, and then applaud the Roosevelt charges if you can!

True, we have made some mistakes, but in the magnitude of our undertaking some mistakes were inevitable, unavoidable. In balance though with the wondrous achievements these mistakes have been trivial and not worthy of the attention of the men who minimize their talents by trying to magnify molehills into mountains.

And furthermore, unlike the Spanish-American War, in which Mr. Roosevelt was a king-pin:

We have no Army contract scandals.

We have no embalmed-beef horrors.

[Laughter on Republican side.]

We have no fat old generals going to war in carriages and leading battle charges from easy rocking chairs.

We have no unpleasant gossip about the appointment of political generals and society admirals.

[Laughter on Republican side.]

We have no round-robin letters from presumptuous and inferior officers demoralizing discipline and exalting self.

In the face of these facts the wild rantings of Roosevelt and his fellow political conspirators are boomerangs, pestilential to the ears and revolting to the sensibilities of others, but harmful only to the men who hurl them. On the estimation of thoughtful people these critics make no indelible impression. They may ruffle the surface of the pool of comment, but they stir not the depths of public opinion. And with Roosevelt, Lodge, and Wadsworth as the chief creators of this curtain of camouflage political fire, fed by the tissues of ambitious misrepresentation, fanned by the sinister winds of political oratory, there stalks

forth from memory's closet the skeleton of Alger's embalmed beef with its concomitant stench; there looms into view the commander of the United States forces in Cuba, too fat to ride a horse, going into battle in a carriage, and lolloping in a portable bathtub while our soldiers had no medicines to conquer tropic ills; there looms into view this self-same commander of the United States forces in Cuba fighting his battles from the sensuous folds of a soporific hammock, while through the stupidity and carelessness of an inefficient military medical force our soldier boys found typhoid fever more deadly than bullets from the Spanish guns.

And so, in view of these verities which no political manipulation can snatch from history's page; in view of the official funeral-hued glories and the official scarlet-tinged scandals of the Spanish-American War; in view of Alger's embalmed beef of odoriferous memory; in view of inferior ships purchased by the Government at superior prices; in view of the stigma and disgrace that typhoid fever killed more of our soldiers than Spanish bullets sent to their graves; in view of the cable which Dewey cut to save the Navy from the malefic influence of Republican politics at Washington; in view of Army contracts which brought a blush to the cheek and rage to the heart of the Nation; in view of the attempt to deprive Schley of his share of glory in the Santiago victory; in view of the papier-mâché generals created as a sort of "iron-cross" reward for services rendered the good old Republican Party on many a bloodless field of politics; in view, in fine, of the bathos and the pathos of flagrant Republican mismanagement in the Spanish-American War, it becometh and behooveth Mr. Wadsworth, Mr. Lodge, Mr. Chamberlain, Mr. Roosevelt, and all their phonographic cult to chirp like a cricket, not roar like a lion.

MARTIN H. GLYNN.

[Applause.]

Mr. FERRIS. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore (Mr. GARRETT of Tennessee). The gentleman has three minutes remaining.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FERRIS. I do not yield, and I want to say two or three words—

Mr. FORDNEY. The gentleman will pardon me.

Mr. FERRIS. I do not yield.

Mr. FORDNEY. I am not addressing the gentleman.

Mr. FERRIS. The gentleman is using my time.

Mr. FORDNEY. The gentleman had 20 minutes and the gentleman has used 23 minutes in reading the article, according to the clock. I do not object to the gentleman's having all the time he wants, but he has used 23 minutes in reading the article.

Mr. FERRIS. The gentleman has forgotten that there was some time consumed outside of my time.

The SPEAKER pro tempore. There was a certain amount of time taken in a wrangle that has to be deducted from the accurate time.

Mr. FORDNEY. But, Mr. Speaker, that time was not consumed out of any portion of the 23 minutes that the Clerk consumed in reading the article. I do not object to giving the gentleman all the time he wants, but 23 minutes was consumed in reading the article by the Clerk, according to the clock.

The SPEAKER pro tempore. The gentleman from Oklahoma has three minutes remaining.

Mr. FERRIS. Mr. Speaker, I did not keep the time, and I assume the Chair kept the time correctly, as he always does. I want to say that on February 4, in the regular way, standing right over there, after speaking to the leader of my party on my side about it, I asked unanimous consent to extend my remarks, which was granted, by printing that article. Now, that is a partisan article, of course—

SEVERAL MEMBERS (on the Republican side). Oh, no!

Mr. FERRIS. Oh, well, I did not expect the Republican side to approve of what I am saying; neither did I expect them to approve that article.

Mr. LONGWORTH. Will the gentleman yield for a question?

Mr. FERRIS. I do not. From the plaudits or jeers made to the article, I do not expect to have their approval.

I am merely trying to state the history. I asked it in the usual way; it was carried in the usual way. I handed it to the Clerk in the usual way, and it was printed in the usual way, and I am very sorry that the Republican Party are getting so thin-skinned that they can not admit of an article printed as an editorial, not a fugitive article, but a signed article, by the ex-governor of the Empire State of the Republic, who has been a Member of this House. [Applause on the Democratic side.]

Mr. GILLET. Mr. Speaker, I ask unanimous consent for five minutes.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. GILLET] asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GILLET. Mr. Speaker, I stated yesterday, and I repeat to-day, that I regretted very much to offer any criticism of the gentleman from Oklahoma, whom I have always respected. The criticism I made, and which he has not in the slightest answered, was that in this branch of Congress, where both sides of the

House have during this war absolutely, so far as I know, ignored politics, have tried to put aside partisanship, and have by their speeches and their actions worked together, the gentleman from Oklahoma [Mr. FERRIS] for the first time printed an article which I do not believe any man on that side would have gotten up and read as his own, and thus for the first time he projected partisanship into the proceedings of this House. That was what I objected to in the matter. I said as an editorial it was all right, but as a speech on this floor I thought it was objectionable.

The gentleman has not been quite candid with the House in what he has just said.

Mr. FERRIS. State where I am uncandid.

Mr. GILLET. The gentleman says that he asked in the ordinary way. The gentleman first got up a few days before he finally received permission to print and asked permission to extend his remarks in the Record. The gentleman from Massachusetts [Mr. WALSH], reserving the point of order, asked him on what subject, and the gentleman said:

I want to print a short editorial on the war—peace and against war.

You gentlemen have heard the "short" editorial.

Mr. FERRIS. That was several days prior.

Mr. GILLET. Exactly. It was the same editorial, was it not?

Mr. FERRIS. It was the same editorial.

Mr. GILLET. And, Mr. Speaker, the gentleman was refused consent to print that "short" editorial on "Peace and against war." Then, a few days later, after he had discussed a question before this House, he got up, when the House was about to adjourn, and asked unanimous consent again.

Mr. FERRIS. Will the gentleman yield right there?

Mr. GILLET. Certainly.

Mr. FERRIS. The gentleman certainly does not want to do an unkind thing. He is the leader of too great a party to do that.

Mr. GILLET. I want to present the facts fairly to the House.

Mr. FERRIS. I have the Record right here. I had made no speech of any sort, except to help get through some little bills from the Public Lands Committee two or three hours prior to that.

Mr. GILLET. It may have been; but it was that afternoon.

Mr. FERRIS. How can the gentleman attach any importance or any relation to a general request to extend remarks? It had no relation in my mind or in fact. There were three or four hours between the request and when I had said a word. It was not a set speech in any sense. I was helping to get through some little bills.

Mr. GILLET. If the gentleman says he did not think of it, I acquit him of it.

Mr. FERRIS. That is true.

Mr. GILLET. As you all know, on this side of the House it has been the custom that objection is made unless we know of the subject; but you know, when a man has been making a speech, even if it was delivered before the House an hour before, it is customary to assume that the gentleman is seeking to extend his remarks on that speech, and, I venture to say, that was the reason no objection was made.

Mr. FERRIS. Will the gentleman yield?

Mr. GILLET. Certainly.

Mr. FERRIS. I read the gentleman's remarks, and he is repeating what he said in his speech, that I had made anything like a speech—

Mr. GILLET. You did.

Mr. FERRIS. No; I did not. I replied only to some remarks about some Oregon bill. I had no interest in it, except getting through some little bills from my committee. What the gentleman says might be true if I had really made a speech, but I did not want to make any remarks on those little bills. I cared nothing about them. I was merely answering questions and making a few short statements to help others with their bills.

Mr. GILLET. I acquit the gentleman from any purpose of intent to deceive the House, but I do think that was what prevented this House from objecting. I wish to ask the gentleman if he considers that a short editorial, and if he considers "Peace against war" a fair description of it?

Mr. FERRIS. Let me read. The facts do not hurt anybody. I will just say, in a word, if it came from anybody else but the gentleman I would not have paid any attention to it. I do not want to be considered thin-skinned about these matters. I have such regard for the gentleman that a statement like his speech yesterday really touched me a little, and I think I am justified in consuming a few moments of time.

Mr. GILLET. Certainly; and I wish to give the gentleman an opportunity.

Mr. FERRIS. The gentleman goes back and finds where on February 1 I asked unanimous consent.

The SPEAKER pro tempore (Mr. GARRETT of Tennessee). The time of the gentleman from Massachusetts has expired.

Mr. FERRIS. I ask unanimous consent, Mr. Speaker, that the gentleman from Massachusetts may have five minutes more. I used some of his time.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

There was no objection.

Mr. FERRIS. The first time I asked this permission was, on page 1692 of the Record, on February 1, just before the adjournment. This is what I said:

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, on what subject?

He objects to all extensions of remarks.

Mr. GILLETT. He objects to extensions and putting in extraneous matter. That is not a fair statement. He does not object to all.

Mr. FERRIS. I read further:

Mr. FERRIS. I want to print a short editorial on the war—peace and against war.

There is a dash there, after "war." Then, after that, it says "peace and against war." I do not recall saying the last, although I may have said it. But that editorial is on the war. [Laughter.]

Mr. GILLETT. Does the gentleman think that that is a fair characterization?

Mr. FERRIS. It is what you are trying to forget, I expect. That is all in that place there. Now, three or four days later, on February 4, just before adjournment and after the day's proceedings had expired, this happened:

Mr. FERRIS. Mr. Speaker, I want to ask unanimous consent to extend my remarks in the Record.

There is nothing clandestine and nothing mysterious about that. It is simply the usual course; nothing more, nothing less. I read further:

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. FERRIS extended his remarks by inserting the following.

I did not even express approval or disapproval of the article, so that I can not understand why the gentleman should object. [Laughter.] I could express approval in part now. In the midst of jeers over there I will do it.

Mr. GILLETT. Now, Mr. Speaker, I wish to submit it to the candid judgment of this House—to that side of the House as well as this side of the House—whether it was candid on the part of the gentleman. And, by the way, I have now been shown the remarks which the gentleman made on that day, which consumed nearly a column of the Record, which he thought amounted to so little.

Mr. FERRIS. Oh, no; it is not a column.

Mr. GILLETT. It is more than half a column of the Record on that same day when the gentleman made the request and it was granted.

Mr. FERRIS. The gentleman is not fair in that assumption or right in the facts.

Mr. GILLETT. There it is, on page 1674.

Mr. FERRIS. On a bill from my committee, responding to a criticism by Dr. FOSTER, two or three hours before this request was made.

Mr. GILLETT. The gentleman is mistaken on that. On page 1674 that appears, and he made his request on page 1678.

Mr. FERRIS. There are five pages intervening.

Mr. GILLETT. Four or five pages. Now, as to these details, Mr. Speaker, I think the House is fully master of the situation, and therefore I submit—

Mr. CALDWELL. Mr. Speaker, I call for the regular order.

Mr. GILLETT. I submit it to the candid judgment of both sides of the House whether that was not an objectionable editorial, and whether the gentleman's manner in making the request for the publication of "a short editorial on peace and war" was fair and candid to this House. [Applause.]

URGENT DEFICIENCY BILL.

Mr. SHERLEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the urgent deficiency bill.

The motion was agreed to.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GARNER] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consid-

eration of the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, with Mr. GARNER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9867, the urgent deficiency bill. The Clerk will read.

The Clerk read as follows:

Buildings: For repairs and improvements to school buildings and grounds and for repairing and renewing heating, plumbing, and ventilating apparatus, and installation of sanitary drinking fountains in buildings not supplied with same, \$20,000.

Mr. WATSON of Pennsylvania. Mr. Chairman, I would like to ask whether these increased expenses in the public schools were brought about by the increased number of pupils, caused by the increased number of the floating population in Washington?

Mr. SHERLEY. There were a couple of items, generally speaking, in which that was a factor. The one that has just been read grew out of the extra cost of the repairs that had been authorized.

Mr. WATSON of Pennsylvania. There were a number of items grouped together in large sums.

Mr. SHERLEY. A good deal of that was due to fuel. The increased cost of fuel and the increased amount of fuel has greatly increased the expense of running the schools.

Mr. WATSON of Pennsylvania. Is there any rule or restriction as to a boy or girl attending the schools? Must they reside here a certain number of weeks?

Mr. SHERLEY. There is a rule or provision of law against attendance unless pupils are residents for a certain number of weeks, but we did not go into that.

Mr. WATSON of Pennsylvania. I was wondering whether it was on account of the increase of pupils.

Mr. SHERLEY. That was the case in a number of items—one or two of them—but, broadly speaking, that was not a determining factor.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Barracks and quarters, seacoast defenses: For construction of temporary barracks and quarters at seacoast posts for the accommodation of officers and enlisted men of the Coast Artillery, including heating and lighting apparatus, water and sewer systems, plumbing, roads, walks, wharves, and drainage, \$3,565,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. TREADWAY. Mr. Chairman, in reference to this item and various other items throughout the bill for construction purposes I would like to make some inquiry as to whether the committee has any information regarding the methods under which those contracts for construction have been let. This matter has been called to my attention in correspondence, as it has been called to the attention of all. I think, in the press, that the large plants are being constructed principally by a few large contractors. The method is on the cost-plus principle, which, as I understand from builders, is the simplest in the world and the easiest to make money out of, in that the contractor himself takes absolutely no responsibility. There is a limit, of course, in the construction of the cantonments as to the amount the contractor should make out of one job, but if you follow the line of those various contracts it appears that comparatively few contractors have these jobs, in spite of the large number of buildings recently constructed.

I am credibly informed that even concerns are granted contracts that did not exist at the time of making the contract and go so far as to organize after the contract is let to a few individuals. At the present time nearly all construction throughout the country is stopped other than for governmental purposes. Where we find that formerly a large number of bids were offered in competition for contracts those concerns have practically been put out of business by the fact that all interest centers on Government construction.

Now, it seems to me that, in fairness to the maintenance of business arrangements throughout the country, these other concerns—I believe possibly not as large as those to whom the contracts have been let, yet nevertheless fully capable of carrying on such work as the construction of these temporary buildings—ought to have a chance.

Therefore I would like to know under what supervision those contracts are let, what the conditions are, who controls them, and why the smaller bidder does not have the same opportunity to get contracts under this cost-plus method as some of the largest concerns. You can probably count on the fingers of one

hand the actual concerns doing the business. They may do it under some subsidiary company and get a different title, but nevertheless there are few very large corporations with great financial backing that are actually controlling this rapid construction on the part of the Government. Therefore I think it perfectly right and proper that the committee should have some information as to who actually lets these contracts. I have known of men coming here trying to get information about specifications, and they have been shuffled around from one board to another, from one place to another, from one man to another, without meeting anyone in a responsible position who would actually give them the desired information. I am not offering this in the line of criticism, but I do think it is a matter on which we ought to have information.

Mr. SHERLEY. Mr. Chairman, there is no difficulty about the gentleman or anybody else having the information who takes the trouble to read the hearings previously had and printed and the present printed hearings. There has been much talk and much misinformation and much criticism with little reason about the waste and cost and excessive profits that have been made in connection with the building of cantonments.

The gentleman will find on pages 474 and 475 of the hearings tables setting out the exact amount of money paid to contractors for building the various cantonments and camps. You will find in the hearings of last fall the exact form in detail of the contract under which the work was performed. You will find that for the cantonments the percentage of fee paid runs all the way from 3.67 per cent, which I think is the maximum, to 2.20, which I believe is the minimum, an average of 2.84 per cent for the cantonments. For the camps the average was 6.88. For embarkation camps it was 3.11, 4.07, 6, 7.06, and 7 per cent. No contractor for any work received a fee in excess of \$250,000.

Now, I have no doubt it is true that there have been a limited number of contractors, though the number is very much greater than three or four or five, which would be what you could count on one hand, and the reason for that is perfectly patent. The doing of this work was more important than the distributing of it among our various constituents. It was infinitely more important to get the work done than that contractors located here, there, or elsewhere should get the job; and men charged with the responsibility of getting work of great magnitude done within a very restricted time would naturally turn to and seek out those men of sufficient magnitude and reputation to be a guarantee of the work being done, men who had existing organizations capable of being expanded quickly to take care of this character of work. The fact that the work has been done in the time in which it has been done is pretty good evidence of the wisdom of that policy. This, I think, is likely to be true touching the new work, that where the department has found a contractor who has made good, who has done work promptly, efficiently, and economically, the natural inclination will be to give that man, with a going organization, contracts for doing work of the same type, rather than to go through the process of educating a new contractor and a new organization.

The gentleman asked about 18 questions in five minutes and I am trying to cover them in five minutes. The contracts are let through the Quartermaster's Department, and the construction has been under the direct charge of former Col. Littell, now Gen. Littell, of the United States Army. He has been advised from time to time—

Mr. CAMPBELL of Kansas. Will the gentleman state the personnel of those who let the contracts?

Mr. SHERLEY. The man who is responsible is Gen. Littell.

Mr. CAMPBELL of Kansas. Is he the person who lets the contracts?

Mr. SHERLEY. He is, as I understand it; but he has been advised in the past by a subsidiary committee under the Council of National Defense. I can not state from memory, but the gentleman will find in the hearings of last fall a full statement as to that fact.

Mr. CAMPBELL of Kansas. That is an independent committee outside of the War Department?

Mr. SHERLEY. No; it is not an independent committee outside of the War Department. It is a committee under the Council of National Defense.

Mr. CAMPBELL of Kansas. That is what I meant.

Mr. SHERLEY. But there are representatives of the War Department on that committee as I recall.

Mr. CAMPBELL of Kansas. What I wanted to get was the personnel of the board which lets the contracts.

Mr. SHERLEY. All of that was gone into at great length last year, because there was a great deal of criticism about it, and the statements were made that contractors were going to

make exorbitant profits, and among other things the statement was made that it was excessive to pay 10 per cent, and the assumption was that 10 per cent would be the amount. In point of fact in connection with the cantonments, which constituted the big work, the percentage on the average was less than 3 per cent, and I doubt if work has ever been done anywhere of that magnitude on a percentage basis lower than what is shown to have been the actual result in this case.

The CHAIRMAN. The time of the gentleman has expired. Debate on this motion under the rules of the committee has been exhausted.

Mr. TREADWAY. I should like to speak in opposition to the gentleman from Kentucky.

Mr. GREEN of Iowa. I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] is recognized.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Wisconsin [Mr. FREAR] some time ago made quite an extensive speech in support of the project for a budget system. While I am inclined to favor this project I do not think it will do away with deficiency bills or bills of this character. In times of war like these inevitably emergencies will arise without the fault of either the committee or the Government. It will be impossible in advance to prepare for all of these emergencies which through the exigencies of war come upon us. So we have this large deficiency bill at this time. I might, however, make one suggestion which I think would have something to do with reducing the amount of deficiencies in the future, and that is in the line of the remarks of the gentleman from Massachusetts who spoke a moment ago [Mr. TREADWAY].

Contractors who come here have the greatest difficulty in many instances in finding where the man is to whom they should submit their bids or their proposals. The consequence is that, not being able to find out where these proposals should be submitted, contracts are made on the open market by Government officials, or perhaps made with some kind of competitive bidding, but very much above the price at which other parties were willing to furnish the same or even better goods. The engineers' office here, or at least one branch of the engineers, has a most excellent system in that respect. It posts up in the offices, upon a large board, where anybody can plainly see it, the prices which it has been paying for articles and the articles which it needs and ought to have, and for which it seeks prices in the future. Under this system it could list bids which would be obtainable of the articles or goods desired and the prices heretofore paid by the various Government departments, which in a number of instances, I have found, has been up far above the market price; not intentionally, perhaps, but because they did not come in contact with all the parties ready to furnish the articles and desirous of furnishing them if they only knew to whom they could go.

I learned only the other day that a gentleman who wanted a contract for making detonators for fuses, as an instance of how the departments are coordinated, after being shoved around from pillar to post, found who was thought to be the proper man to submit bids to, and that man told him that the Government had no need for anything of the kind; that the contracts had all been let. He went away, but afterwards saw a business man of his acquaintance, who told him that he was sure there had been a mistake, and upon going around he found another official, who told him that that was just what they needed and had to have, and what they were willing to pay a good price for.

Matters of this kind are inevitable as long as there is so much haste in furnishing articles for which the need is great. But, at the same time, if some system was adopted whereby it would be easy for parties to come here and find the articles they wanted and what prices the department would pay, a great amount would be saved to the Government.

I understand that the Secretary of War has properly issued an order that there shall be no concealment of prices paid for the different articles. The Secretary of War, of course, has nothing to conceal and the department has nothing to conceal; but at the same time there has been a great difficulty on the part of contractors, and I myself had great difficulty, in finding out prices paid for some particular articles at an earlier date. I assume from the action of the Secretary of War that that was something he did not and would not approve. Mr. Chairman, I withdraw the pro forma amendment.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last two words. I would like to secure a little more information along this same line from the chairman of the committee, who has been so kind in his explanation to me. This matter came to my attention through the fact that on a number of occasions a very large contractor in my neighborhood had not been able to secure any opportunity to so much as figure on a propo-

sition. There is no question about the ability of this concern in the way of big contracts. Some of the largest mills in western Massachusetts and large hospitals have been built by this concern, but on inquiry here in Washington they could not get any information. They could not find to whom to apply either for specifications or for necessary data on which to so much as suggest themselves as possible contractors. They have had correspondence and interviews with the committee of Council of National Defense, or a subcommittee, and were told that there was no question as to their reputation or ability, and when the opportunity was offered they would be given a chance to bid, but that opportunity never came. Now, the reason why I would like to know, and they would, because it is not so much that these other men get the work, but here is a large concern, capable of doing this work, as hundreds of others are throughout the country, and they are losing their organization, they are losing skilled workmen, who are going somewhere else for employment, and when the war is over they will be absolutely disorganized in taking up the line of work they had previously performed.

The gentleman referred to the fact that this matter is in the hands of Gen. Littell, and he states that in all probability this same method will be continued in future contracts. If that is true, that the authorities only desire to have the very largest contractors to be considered in letting contracts, why do they not tell the contractors outright that they have no chance whatever for getting any Government work? That would be treating them fairly instead of, in the slang expression, "passing the buck," and let them think they are going to have a chance. According to the information from the chairman, this same method will continue. In fairness to similar concerns to the one to which I refer capable of carrying out a big contract, why should not they be told that they may cease their efforts to get some of this Government work?

Mr. WALSH. Will the gentleman yield?

Mr. TREADWAY. I will.

Mr. WALSH. Does my colleague understand or contend that Gen. Littell has anything to say as to whom contracts shall be awarded?

Mr. TREADWAY. I am so informed by the chairman of the committee. The men that have been here have gone to subcommittees and to the Committee on National Defense, assuming that they had the authority. That is one line that I am trying to get information on, but the chairman of the committee informs us that Gen. Littell has all the responsibility. Just where the Committee on National Defense comes in, what methods Gen. Littell pursues, just why none of these large corporations can get a look-in seems to me to be a subject worthy of consideration. But it seems to me that we should get information before the smaller contractors that there is no use in their applying for work if the scheme the chairman of the committee states is to be adopted by the department.

Mr. McKENZIE. Will the gentleman yield?

Mr. TREADWAY. I will.

Mr. McKENZIE. The gentleman from Massachusetts must have misunderstood the chairman, although I did not hear his statement, that Gen. Littell has the entire responsibility for all of these contracts. As I understand it, Gen. Littell is the man who executes the contracts, does the paper work, but the decision as to whom the contract shall be let to is made by this subcommittee of the Council of National Defense. Gen. Littell has no more to say about it than has the gentleman from Massachusetts.

Mr. TREADWAY. The gentleman's idea is that Gen. Littell is the rubber stamp to the Council of National Defense.

Mr. McKENZIE. Yes.

Mr. TREADWAY. That is not the information imparted by the gentleman from Kentucky, chairman of the committee.

Mr. CAMPBELL of Kansas. Mr. Chairman, I understand that Maj. Starrett is the man who reads the bids and passes upon them; that Maj. Starrett has a brother in the firm of George A. Fuller Co., and that perhaps is the reason why the friends of the gentleman from Massachusetts could get no contract.

Mr. STAFFORD. Mr. Chairman, will the gentleman permit me to ask a question of the gentleman from Kansas [Mr. CAMPBELL]?

Mr. TREADWAY. I yield the floor for that purpose.

Mr. STAFFORD. I would like to inquire whether this Maj. Starrett, of whom the gentleman speaks, is a member of that large construction company known as the Starrett-Thompson Construction Co.?

Mr. CAMPBELL of Kansas. I have heard that that is true. I am simply giving what has passed as rumor around through the Chamber.

Mr. STAFFORD. Has the gentleman any authoritative information as to the total amount that has been parceled out to these large construction companies? I know that Stone & Webster have had large contracts for constructing buildings at the Rock Island Arsenal, and in various parts of the country. Has the gentleman or the chairman of the committee any information as to the total amount of contracts that have been parceled out to these very large construction companies?

Mr. SHERLEY. Mr. Chairman, I prefer to answer in my own time.

Mr. STAFFORD. I am seeking information.

Mr. CAMPBELL of Kansas. I have no definite information on the subject.

Mr. TREADWAY. Mr. Chairman, if I may be allowed, I would like to say that my general criticism is not directed to the single idea that the gentleman from Kansas [Mr. CAMPBELL] expresses. I am looking at it from a broader point of view than one particular firm. The person or persons who have authority over letting contracts ought to announce—if that is their policy—that only the few largest concerns will be given consideration in assigning Government work.

Mr. SHERLEY. Mr. Chairman, I do not think that what I said a few moments ago quite bears the construction placed upon it by the gentleman from Massachusetts [Mr. TREADWAY] and by the gentleman from Illinois [Mr. McKENZIE]. I stated then, as I state now, the man primarily responsible and who signs the contract is Gen. Littell; and I take it that a man who signs a contract is responsible, and he can not get rid of that responsibility by saying that somebody else told him to do it. I never heard of any such rule in court or out of court, in Government or out of Government. The man who is responsible now is Gen. Littell. The man who advised him in the past and who presumably is advising him now is Maj. Starrett. The old committee, which was under the Council of National Defense as it was first organized, was entitled "Subcommittee on Emergency Construction and Contracts," and was composed of W. A. Starrett, chairman; C. M. Lundoff; M. C. Tuttle; Maj. William Kelley, of the office of the Chief of Ordnance; F. L. Olmstead; and J. B. Talmadge, secretary. I stated yesterday that a great many of these subcommittees had been abolished under the reorganization. The present member of the committee of the Council of National Defense dealing with emergency construction and contracts is Maj. W. A. Starrett. Who is under him I do not know. I am glad the gentleman from Kansas [Mr. CAMPBELL] has stated what he has touching Maj. Starrett. I have been told, not in an official way and I do not know how accurately, that he was a member of the Starrett Construction Co., but has not been for some four years, and while it is true that his brother has membership in the Fuller Construction Co., I have never been able to find anybody who was prepared to present anything definite touching the wrongful use of any power that Maj. Starrett may have. Either there is something wrong or there is not. If there is something wrong I hope that anybody in this House or elsewhere who has facts and not rumor will take the responsibility of presenting the matter to the Congress and to the Government, because I am sure that nobody in the Government, legislative or administrative, desires anything to continue that is wrongful. This is what frequently happens. Men in various sections of the country come on here desiring to do work that they are not competent for, but no man has yet been created so modest that he recognizes his inability to do a thing, and he insists that he and his concern can do it, whether they can or not. If he does not get the consideration that he thinks he ought to have he goes away declaring that there is an inner group that controls things.

There may be. I have no information touching it. For myself, when the war broke out I adopted this rule, that I would not recommend any human being for any contractual relationship with the Government of any kind or character, and that rule I have kept. This committee did not have opportunity or time, nor was it its function, to go into this sort of inquiry. We have published here in the hearings heretofore the character of the contracts. We have published the cost and the amount that has been paid these people, and I understand that this whole matter is now the subject of inquiry by other committees that have more direct jurisdiction of it. I hope the gentleman from Kansas [Mr. CAMPBELL], in view of the necessary inference to be drawn from the statement that he has made, will follow it up so that he will be in a position to either tell the House that he thinks there is no basis whatever for believing that Maj. Starrett is giving contracts because of those who are of kin to him or of former or present business association, or that he will show wherein it is being done, in order that we may correct the abuse.

Mr. MONDELL. Mr. Chairman, I move to strike out the last two words. I have had very little to do or experience with those who have the responsibility of making contracts. I have, however, had a little experience in that regard in one case. Some gentlemen came here from my State believing they were equipped and qualified through their eastern connections to take Government contracts of considerable size, and they asked me to present them to the men who had charge of these matters. I was in position to testify that these gentlemen were high-minded and conscientious men, and I presented them to Maj. Starrett. They were treated with consideration. I was impressed with the fact that the officer in question seemed to have had a good deal of experience and probably understood his business.

Mr. CAMPBELL of Kansas. May I ask whether Maj. Starrett is a Regular Army officer?

Mr. MONDELL. I know nothing of Maj. Starrett except the fact that he is connected with the Council of National Defense and that he is chairman of the board that makes recommendations in the matter of contracts. I do not know anything about his antecedents, but he impressed me as a courteous, capable gentleman.

Mr. KINKAID. Will the gentleman yield for a question? Is it the major or his brother who is at the head of this commission that is giving out contracts? I understand there are two Starretts.

Mr. MONDELL. The Maj. Starrett I refer to is, as I understand it, the chairman of a board under the Council for National Defense, whose duty it is to recommend to the War Department the granting of contracts.

Mr. TREADWAY. May I ask the gentleman a question in that connection?

Mr. MONDELL. I yield to the gentleman.

Mr. TREADWAY. Are those contracts in the ordinary business form that building concerns would receive if they were bidding for contracts, and have they a regular form of specifications?

That is what I am trying to get at and that is the line of inquiry I was asking the chairman of the committee when his thought went to the gentleman from Kansas [Mr. CAMPBELL] in his reply rather than to me. I would like to get some idea, some knowledge of the form of contract, the method of letting a contract, the kind of competitive bids that may be asked, and the various business methods pursued by the department. If it is by Maj. Starrett, I would like that information.

Mr. MONDELL. My understanding is that many contracts—I do not know what proportion of them—are not let under competitive bidding, but are given out on the cost-plus basis to firms or corporations agreed upon, recommended and approved by the gentlemen in the War Department to whom they make their recommendations.

Mr. SHERLEY. If the gentleman will yield, I think it was testified before the committee that the identical character of contract that was printed in the hearings last fall touching this work is being used now. The gentleman will find on page 578 of the hearings in connection with the urgent deficiency bill of last fall the contract in which all the details of it are set out, fixing the rental, fees, and the contractor's fees, and all the details of the contract.

Mr. TREADWAY. I shall be glad to look at that a little.

Mr. MONDELL. That is the cost-plus method, as I understand it.

Mr. SHERLEY. Yes.

Mr. MONDELL. And I understand most of these contracts are of that character—

Mr. TREADWAY. May I repeat my question—

Mr. MONDELL. And they are not by competitive bidding.

Mr. TREADWAY. May I repeat my question to the gentleman from Wyoming, if he has any information as to the principle on which these favored contractors are selected? That is at the bottom of the thing.

Mr. MONDELL. I have very little information, but I am very glad to give the House the benefit of what little information I have, and that arose out of this one particular case. I was impressed with the bearing of Maj. Starrett and his apparent knowledge of the matters that he had in charge. I, however, received this impression. The department naturally desires to secure contractors for this Government work who have large going administrative and technical organizations, and that kind of a concern generally is a busy concern, doing a good deal of work, and under the theory that I think somewhat prevails in making the recommendations, it occurred to me that a large concern which would be able to present evidence of its ability to do extensive work and do it speedily, a concern that had a large organization, might have an advantage over a con-

cern with a small organization which had not been doing a large amount of work. It might be the fact, however, that the smaller concern, with its smaller organization ready and willing and prepared to put all of its energy and all of its experience in a particular work, might, as a matter of fact, be better prepared to carry out a given contract than a big concern which might make a better showing. While I did not go into the matter carefully enough to express a definite opinion, my notion is that in a matter of this sort there might be a temptation to lean upon the big concerns with their very considerable organization, large capital, and proven ability to do work, to the exclusion of a smaller outfit or organization, even though the smaller organization might be quite as well prepared and in a more favorable situation to perform a particular work than the larger corporation or organization in view of their other responsibilities.

Mr. TREADWAY. May I ask the gentleman if he does not think as a good business proposition, looking into the future, that these smaller concerns, absolutely reputable and capable of doing the smaller jobs, should be given consideration in view of the conditions that are likely to appear after the war is over if these smaller concerns become entirely disorganized?

Mr. MONDELL. I think it is undoubtedly true; there will be no disagreement on that point.

Mr. KINKAID. Will the gentleman yield for a suggestion?

Mr. MONDELL. Now, on that point, any organization that proves to the officials in charge that has business standing and ability and engineering force and an organization that will enable it to carry on that kind of work, ought to be considered. I have not enough information on the subject to say that they are not considered. I did get the impression that there might be a disposition to lean upon the larger corporations, and larger organizations by reason of the general showing they could make of financial responsibility, of large undertakings and accomplishments—large going organizations. A portion of all this equipment so useful and essential in a big piece of work might, however, be required or utilized on other Government work which they had secured or on private work. However, I assume all these things are taken into consideration.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINKAID. Will the gentleman yield?

Mr. MONDELL. If I might have five minutes more.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. I yield to the gentleman from Illinois [Mr. McKENZIE].

Mr. McKENZIE. Is it not a fact that the one consideration that the Counsel of National Defense or Gen. Littell had to be controlled by, and the only one that they should give consideration to at all, was to get this work done and done as speedily as possible, and the question of justice or injustice to a small contractor or favors to a large contractor were not elements that enter into the matter at all? And that in doing the thing that they should have done, is it not a fact that this complaint might just as well arise and yet these men do their duty?

Mr. MONDELL. Of course, the first and essential thing is to have the work done as speedily and as economically as possible.

Mr. KINKAID. If the gentleman will permit, I want to say in justice to the administration—

Mr. MONDELL. Will the gentleman be very brief?

Mr. KINKAID. Yes. To my personal knowledge, Maj. Starrett, from the very start of the application in a certain instance, where a contract of the kind was in contemplation, gave very friendly consideration to a comparatively small firm, a relatively small organization, and the contract is going to be let, and is being let to that very firm by Gen. Littell on the recommendation of the chairman, Maj. Starrett.

Mr. MONDELL. I am very glad to have that testimony. I have no thought of criticising in the matter of the selection of the people to whom the contracts are let. It is very evident, however, that one of the greatest corporations, one, I take it, that was a great and going concern with an enormous amount of capital behind it and which no doubt made a splendid showing, is the corporation that seems to have most completely fallen down and furnished the country with the most astounding scandal that has grown out of the war.

Now, so much for that. About these cost-plus contracts, it may be possible that it was necessary to enter into that kind of a contract in some cases, but we have had an unhappy experience under them. I fear we will continue to have. It seems to me they ought to be limited to the cases of the direst necessity. There are some men and a great many women, probably a ma-

jority of them, who are virtuous by reason of their love of virtue and a high sense of obligation to themselves and their God and their fellow men. But with the many men, my opinion is that to whatever extent they may be honest from the dictates of conscience, their inclination to honesty arises more out of the very patent fact that in the main honesty is the best policy; that virtue brings its own reward, and the way of the evildoer is, in the long run, a sad way. The affairs of mankind are conducted largely in view of those facts and considerations. When you change the system of doing things in the world, based on our knowledge of human nature, and adopt a system that holds out encouragement and incentive to waste, extravagance, the padding of pay rolls, the increasing of cost, and practices of every sort and kind that an evil mind can invent and an easy conscience carry out; when you base your business on that sort of rule and policy there can be but one outcome. The cost-plus contract does not reward virtue, honesty, economy, and fair dealing, and practices based on considerations of justice and fair dealing to the Government and the people. It rewards extravagance; it rewards increases of cost; it rewards waste; it rewards all of those things that ought to be avoided in all business transactions. No policy that does this can be commended or produce good results.

Mr. CAMPBELL of Kansas. Mr. Chairman—

Mr. SHERLEY. Mr. Chairman, I do not want to unduly restrict debate, but I think in view of the fact that there is nothing pending there has been quite a little talk, and I would like to go on with the reading of the bill.

Mr. CAMPBELL of Kansas. May I have five minutes?

The CHAIRMAN. The gentleman from Kentucky [Mr. SHERLEY] asks unanimous consent that the debate on this paragraph and amendments thereto close in five minutes. Is there objection?

Mr. STAFFORD. The chairman of the Committee of the Whole offered that motion. [Laughter.]

The CHAIRMAN. There is no objection, and the gentleman from Kansas [Mr. CAMPBELL] is recognized.

Mr. CAMPBELL of Kansas. Mr. Chairman, I think it unfortunate that contracts of this character should be recommended by anyone who is related in any way with persons connected with the construction companies to whom the contracts are let. It was for that reason that I raised the question here a moment ago as to the relationship of Maj. Starrett to these construction companies.

I have never met Maj. Starrett. I do not know whether he is a Regular Army officer, or whether he belongs to the Provisional Army, or what his relations are to the title that he bears, but I think it unfortunate for the War Department that he should be selected to pass upon contracts let to the Starrett Construction Co. or the George M. Fuller Construction Co. The Fuller Construction Co. has many contracts for the construction of these cantonments. The gentleman from Illinois [Mr. McKENZIE] asked the gentleman from Wyoming [Mr. MONDELL] if it was not the purpose in the letting of these contracts to have the construction pushed to an early completion. That should be the intention, but the contractor does not push the construction to an early completion, but purposely delays for the purpose of increasing the cost of the construction.

Mr. SHERLEY. If the gentleman will permit right there, the form of contract is such as to make a maximum, and it is to his interest to get the work done as quickly as possible.

Mr. NORTON. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Not out of these five minutes.

But the fact is that the bosses tell the men not to hurry while the contractor is within the maximum cost. They tell the men, "Do not take that 8-foot board there; saw 8 feet off this 16-foot board. Men stand around waiting to go to work from 8 o'clock in the morning until 2 or 3 o'clock in the afternoon, without doing anything, and complaining that they have not been put to work. They are told they have no complaint; that they are getting their pay.

I talked with a captain in an Army cantonment, who showed me the steam radiator in his room. It is a small radiator. It had been set up in his room by two plumbers and two helpers, and they were three days making the connection. He was waiting in the hallways and other places while these men were putting in all this time in setting up this radiator, a work that any plumber or any plumber's helper could have done in 20 minutes, and it was only completed when the colonel ordered that that radiator be placed and placed immediately.

There are men down here within the reach of the voice of some of the men who speak in this House, on this side of the Potomac River, wasting time during the freezing weather instead of rushing the construction of the buildings on which they are at work. I have talked with men to and from their

work, who were not doing a half day's work, but with a full day's pay, doing it with the full knowledge of the overseer or the men representing the contractor.

These are things that ought not to be overlooked. These are matters that are of common knowledge throughout the country. Farmers, carpenters, plumbers, business men of every character, who have visited these cantonments and have seen the manner in which they are constructed, know that there has been a waste of the employees' time and a waste of the public money, and they attribute the waste of time and the waste of money very largely to the cost-plus contract.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

QUARTERMASTER CORPS.

Mileage: For mileage to commissioned officers, members of the Officers' Reserve Corps when ordered to active duty, contract surgeons, expert accountant, Inspector General's Department, Army field clerks, and field clerks of the Quartermaster Corps, when authorized by law, \$3,000,000.

Mr. BORLAND. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record upon the employment of clerks in the departments.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Provided, That no part of the appropriations for the Quartermaster Corps shall be expended on printing unless the same shall be done at the Government Printing Office, or by contract after due notice and competition, except in such cases as the emergency will not admit of the giving notice of competition, and in cases where it is impracticable to have the necessary printing done by contract the same may be done, with the approval of the Secretary of War, by the purchase of material and hire of the necessary labor for the purpose.

Mr. NORTON. Mr. Chairman, I desire to strike out the last word of the paragraph.

The CHAIRMAN. The Clerk is in the middle of the paragraph on page 33.

Mr. NORTON. I desire to discuss the paragraph that has just been skipped over.

The CHAIRMAN. The Clerk will finish the reading of the paragraph.

The Clerk read as follows:

Henry C. Chappell: The accounting officers of the Treasury are authorized and directed to pay to Henry C. Chappell, of New London, Conn., from proper appropriations of the Quartermaster Corps the sum of \$58,50 paid by him for advertisements published in newspapers soliciting enlistments in the Quartermaster Reserve Corps of the Army for service in a motor-truck company of the Quartermaster Corps.

Mr. NORTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from North Dakota moves to strike out the last word.

Mr. NORTON. Mr. Chairman, I desire to call the attention of the committee to the item for the purchase of horses and mules for the Quartermaster's Department. I would like to ask the chairman of the committee how much is intended to be used for that purpose?

Mr. SHERLEY. None of it; none of the amount carried in this bill is in connection with the purchase of horses or mules.

Mr. NORTON. The provision is such that all or any part of the \$26,000,000 appropriated under the item may be used for that purpose?

Mr. SHERLEY. If the gentleman will permit, what happens is simply that we carry the regular language that is carried in the Army appropriation bill, and technically the money is available for any of the purposes enumerated, but the testimony discloses that it is not asked for that purpose at all.

Mr. NORTON. None of it is estimated for that purpose?

Mr. SHERLEY. No.

Mr. NORTON. I desire to say to the committee and to the members of the Committee on Appropriations that there has come to my particular notice the manner in which horses have been purchased for the Army. Most of the horses, or a large part of the horses, purchased for the Army during the last year have been purchased in the Northwest. There the Army has been following the practice of purchasing these horses chiefly from contractors and horse dealers instead of from horse growers and farmers. In my own particular section of the country a very bad policy, to say the least, was followed last fall and last summer in the purchase of horses and mules for the Government by the Quartermaster's Department of the Army. The usual practice was to give to some middleman or horse dealer a contract to furnish the Government with 100 horses at a fixed price. The price for Cavalry horse weighing 900 to 1,050 pounds being

\$165 and the price for light-artillery horses weighing 1,100 to 1,350 pounds being \$185 a head.

The man holding that contract then advertised that there would be a Government inspection at a certain town. The Government inspectors appeared there to examine the horses. In most cases the contractor had purchased no horses. They were on the day advertised for the inspection brought in by farmers and by horse growers and inspected on the ground by the Government inspector. For any horse that passed the Government inspection the contractor received the Government price as fixed in the contract. These contractors in turn paid the farmers from \$90 to \$115 for the cavalry horses they turned over to the Government and from \$125 to \$140 for the light artillery horses. For the cavalry horses the contractors received from the Government \$165 a head and for the light artillery horses \$185 to \$190 a head.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. NORTON. Certainly.

Mr. GREEN of Iowa. Do I understand the gentleman to say that there was a Government officer at that time to pass upon them, so that the contractor took no chances on the horses?

Mr. NORTON. In many cases they absolutely took no chances whatever, excepting the chance of taking and cashing the warrant that was given by the officer representing the Quartermaster's Department at the close of the sale.

Last fall I made some personal inquiry into the methods of purchasing horses for the Government. I asked the quartermaster's department at Fort Keogh, Mont., why at these inspections farmers were not advised by the officer representing the Government what price was being paid by the Government for the horses accepted by the Government. On different occasions the Army officers conducting these inspections had refused to tell farmers who had asked them the price the Government was paying for their horses. I was told by the captain in charge at Fort Keogh that his officers making this inspection were not permitted by the War Department to give out this information. Some weeks ago I made inquiry at the Quartermaster General's office here in Washington why farmers and horse growers were not told at these inspections the price the Government was paying for the horses accepted, and I was informed that it would be contrary to the rules of the Quartermaster's Department to announce, at an inspection of this kind or in a purchase of this kind, what the Government was paying for the horses. As a result, the contractor in many, many cases, without investing a dollar, made a profit of from \$35 to \$70 on each horse delivered to the Government.

I believe, gentlemen, that those engaged in the horse-raising industry of the country should be given a fair consideration and a square deal by the Government. I believe that if the Government is going to pay those high prices—and they are relatively high prices for horses—the men to receive the benefit of these prices should be the farmers and horse growers who sell them for use by the Government instead of the middlemen, who perform a very small service between the farmers and horse growers and the Government. The practice that is now in vogue in the Quartermaster Department for buying horses is that the Government will make purchases direct from farmers where the farmers agree to deliver to the Government or some shipping point on a railroad at least one carload of horses. In such case the Government will not pay within \$20 a head of what it will pay to a regular contractor for the same kind of horses; that is, in any case the Government protects the contractor to the extent of \$20 a head for each horse. Even under this arrangement few horses are bought direct from farmers. In practice the plan is being worked out about like this: A number of farmers get together in a community and agree to deliver to the Government one or more carloads of horses at a price of \$20 a head less than is being paid by the Government to private contractors. At the same time they request the Quartermaster Department having charge of their section of the country to send an inspector to examine and pass on the acceptance of the horses they have to offer for sale to the Government. A date for the inspection is set by the Quartermaster Department. On this date the farmers bring in their horses for inspection. Often they have brought in two and three hundred horses without having any of them accepted by the officer representing the Quartermaster Department. In many cases Army officers have refused to accept these horses direct from farmers and horse growers, but in such cases there usually have been present at these inspections private buyers who bought many of the horses shown at sacrifice prices and had no difficulty in later disposing of them to the Government on contracts. I believe that the very bad practice and policy pursued by the Quartermaster Department in purchas-

ing horses for the Government should be thoroughly investigated by the Committee on Appropriations when the appropriation for the purchase of horses comes up again.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Transportation of the Army and its supplies: For transportation of the Army and its supplies, including transportation of the troops when moving either by land or water, and of their baggage, including members of the Officers' Reserve Corps, enlisted men of the Enlisted Reserve Corps, and retired enlisted men when ordered to active duty, including the cost of packing and crating; for transportation of recruits and recruiting parties; of applicants for enlistment between recruiting stations and recruiting depots; for travel allowance to officers and enlisted men on discharge; for payment of travel allowance as provided in section 126 of the act approved June 3, 1916, to enlisted men of the National Guard on their discharge from the service of the United States, and to members of the National Guard who have been mustered into the service of the United States and discharged on account of physical disability; for payment of travel pay to officers of the National Guard on their discharge from the service of the United States, as prescribed in the act approved March 2, 1901; for travel allowance to persons on their discharge from the United States disciplinary barracks or from any place in which they have been held under a sentence of dishonorable discharge and confinement for more than six months, or from the Government Hospital for the Insane after transfer thereto from such barracks or place, to their homes (or elsewhere as they may elect), provided the cost in each case shall not be greater than to the place of last enlistment; of the necessary agents and other employees, including per diem allowances in lieu of subsistence not exceeding \$4 for those authorized to receive the per diem allowance; of clothing and equipment and other quartermaster stores from Army depots or places of purchase or delivery to the several posts and Army depots and from those depots to the troops in the field; of horse equipment; of ordnance and ordnance stores, and small arms from the foundries and armories to the arsenals, fortifications, frontier posts, and Army depots; for payment of wharfage, tolls, and ferriages; for transportation of funds of the Army; for the hire of employees; for the payment of Army transportation lawfully due such land-grant railroads as have not received aid in Government bonds (to be adjusted in accordance with the decisions of the Supreme Court in cases decided under such land-grant acts), but in no case shall more than 50 per cent of full amount of service be paid: *Provided*, That such compensation shall be computed upon the basis of the tariff or lower special rates for like transportation performed for the public at large and shall be accepted as in full for all demands for such service: *Provided further*, That in expending the money appropriated by this act a railroad company which has not received aid in bonds of the United States, and which obtained a grant of public land to aid in the construction of its railroad on condition that such railroad should be a post route and military road, subject to the use of the United States for postal, military, naval, and other Government services, and also subject to such regulations as Congress may impose restricting the charge for such Government transportation, having claims against the United States for transportation of troops and munitions of war and military supplies and property over such aided railroads, shall be paid out of the moneys appropriated by the foregoing provision only on the basis of such rate for the transportation of such troops and munitions of war and military supplies and property as the Secretary of War shall deem just and reasonable under the foregoing provision, such rate not to exceed 50 per cent of the compensation for such Government transportation as shall at that time be charged to and paid by private parties to any such company for like and similar transportation; and the amount so fixed to be paid shall be accepted as in full for all demands for such service: *And provided further*, That nothing in the preceding provisions shall be construed to prevent the accounting officers of the Government from making full payment to land-grant railroads for transportation of property or persons where the courts of the United States have held that such property or persons do not come within the scope of the deductions provided for in the land-grant acts; for the purchase and hire of draft and pack animals in such numbers as are actually required for the service, including reasonable provision for replacing unserviceable animals; for the purchase, hire, operation, maintenance, and repair of such harness, wagons, carts, drays, other vehicles, and motor-propelled and horse-drawn passenger-carrying vehicles, as are required for the transportation of troops and supplies, and for official, military, and garrison purposes; for drayage and cartage at the several depots; for the hire of teamsters and other employees; for the purchase and repair of ships, boats, and other vessels required for the transportation of troops and supplies and for official, military, and garrison purposes; for expenses of sailing public transports and other vessels on the various rivers, the Gulf of Mexico, and the Atlantic and Pacific Oceans, \$125,000,000: *Provided further*, That \$75,000 of the appropriation hereby made shall be available for additional pay of employees on harbor boats, quartermaster service, in lieu of subsistence.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the paragraph just read.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order on the paragraph.

Mr. STAFFORD. I wish to inquire of the chairman of the committee whether any change in the authorization law as to the compensation of railroads or other transportation lines is embodied in the paragraph under consideration?

Mr. SHERLEY. No. It is the same as the current law.

Mr. STAFFORD. I wish to inquire further if the gentleman can give the information as to the total amount that has been paid to railroads of this country for the transportation of troops up to the present time, since the war began?

Mr. SHERLEY. No, sir; we have not that. The gentleman will appreciate that in considering these items we did not undertake to cover the whole field that the item would by its language seem to cover; but we would ask what the moneys were for, and then confine ourselves to an inquiry in that particular. The committee did not raise the question of pay to

railroads, and the need of such an inquiry did not suggest itself to the committee.

Mr. STAFFORD. Was this proposal submitted to the committee during its deliberation, that officers and enlisted men who are obliged to pay for travel in making trips to their homes, or the like, should be exempted from the 8 per cent tax levied by the war-revenue act?

Mr. SHERLEY. No such suggestion came to the committee.

Mr. STAFFORD. It has been called to my attention, and I think the Congress would have exempted the soldiers if the matter had been called to its attention when we were considering the war-revenue act, that that tax of 8 per cent on railroad tickets should not be levied and collected from officers and enlisted men when they travel and pay for that travel out of their own funds. It is just merely an additional burden placed upon them. But as the committee has not given it consideration, I do not feel inclined at the present moment to offer an amendment that might be subject to a point of order and might provoke discussion. I rose largely to inquire how much had been paid to the railroads. Of course, we are paying them fabulous amounts, and necessarily paying large amounts.

Mr. SHERLEY. No such question was considered by the committee.

Mr. MADDEN. I may say for the information of the gentleman from Wisconsin [Mr. STAFFORD] that as far as this tax is concerned each officer who travels has a right to sign an exemption certificate on every fare that he pays, and does not have to pay the tax.

Mr. STAFFORD. That does not apply to the enlisted men who return from cantonments and camps to their homes on furlough.

Mr. MADDEN. I think it does. I am not sure.

Mr. STAFFORD. I have been given different information. I do not think any one of us would wish to tax the transportation that the soldiers pay when they are making these week-end trips from their cantonments and camps to their respective homes. I withdraw the reservation of the point of order.

Mr. COOPER of Wisconsin. I reserve the point of order only for the purpose of asking one question of the chairman of the committee.

Mr. SHERLEY. Of course this paragraph is not subject to a point of order, but I am glad to give the gentleman any information I can.

Mr. COOPER of Wisconsin. Then I move to strike out the last word. I should like to inquire of the chairman what property it is which is included within the provisions of lines 17, 18, and 19—

Where the courts of the United States have held that such property or persons do not come within the scope of the deductions provided for in the land-grant act.

Can the chairman of the committee indicate in a general way just what that is?

Mr. SHERLEY. Frankly, I will say to the gentleman that this language has been carried in the military appropriation bill for a great many years. I have not had occasion to inquire into the reason of it, and I am unable to advise the gentleman touching it.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

Barracks and quarters: For barracks, quarters, stables, storehouses, magazines, administration and office buildings, sheds, shops, and other buildings necessary for the shelter of troops, public animals, and stores, and for administration purposes, except those pertaining to the Coast Artillery; for constructing and repairing public buildings at military posts; for hire of employees; for rental of the authorized allowance of quarters for officers, including members of the Officers' Reserve Corps when ordered to active duty, on duty with the troops at posts and stations where no public quarters are available; of barracks or authorized allowance of quarters for noncommissioned officers and enlisted men on duty where public quarters are not available, including enlisted men of the Regular Army Reserve, retired enlisted men, and members of the Enlisted Reserve Corps when ordered to active duty; of grounds for cantonments, camp sites, and other military purposes, and of buildings or portions of buildings for occupation by troops, for use as stables, storehouses, and offices, and for other military purposes; for the hire of recruiting stations and lodgings for recruits; for such furniture for the public rooms of officers' messes and for officers' quarters at military posts as may be approved by the Secretary of War; for wall lockers in permanent barracks and refrigerators in barracks and quarters; for screen doors, window screens, storm doors and sash, and window shades for barracks, offices, and quarters, and for flooring and framing for tents, and for the National Guard when called or drafted into the service of the United States, \$52,151,604.

Mr. ANDERSON. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. ANDERSON offers the following amendment: Page 39, line 12, after the words "United States," strike out the rest of the paragraph and insert: "and for the inclosure and completion of the recreation stadium at Camp Cody, N. Mex., and athletic equipment therefor, \$32,166,604."

Mr. SHERLEY. I reserve a point of order on the amendment.

Mr. ANDERSON. Mr. Chairman, I do not think it is at all certain that the amendment is subject to a point of order. However, I appreciate that under the circumstances under which this bill is being considered I must in any event appeal to the chairman of the committee for amiable consideration of the amendment.

The amendment which I have offered is intended to provide a fund of \$15,000 for the completion of the recreation stadium at Camp Cody, N. Mex., and the inclosure thereof, together with athletic equipment therefor.

Every one who knows anything at all about the cantonment at Camp Cody knows that the conditions under which the soldiers are obliged to live are very different from those under which they live in any other cantonment. The camp is located in practically a desert of fine volcanic ash-like sand. It is subject to terrific winds. These winds occur very frequently, and when they do occur they raise clouds of this fine volcanic dust which make it practically impossible for men to be out of doors. A recreation stadium has been erected at Camp Cody—

Mr. JUUL. How did the Government come to locate this cantonment at that point?

Mr. ANDERSON. That question has been up a great many times in the House. I am unable to answer the gentleman's question.

Mr. JUUL. I take it the conditions are as the gentleman has stated, but how did they come to put the cantonment there?

Mr. ANDERSON. I can not answer that question. The conditions are as I have stated. They have been found by Members of this House who have visited that camp. They have been found to be as I have stated by members of the public-safety commissions of the States of Minnesota, Nebraska, and Iowa. There is no question about those conditions. As I say, they have a stadium there now, but they have not the funds with which to inclose it. There is no liberty theater there. They can not use the stadium at times when these great wind storms occur. The result of it is that some thousands of dollars' worth of smilge books that have been sent to the troops at Camp Cody are absolutely worthless. They have no place where they can use them. They have no place where they can have athletic meets or any sort of recreation. At one time they had a tent there, but these terrific winds that come so frequently blew the tent to pieces. If they are to have any recreational or athletic or educational facilities at all these facilities must be of such a character that they can be inclosed to shut out these terrific wind and dust storms. I appeal to the gentleman from Kentucky to permit this amendment to go on this bill.

Mr. SHERLEY. Mr. Chairman, the point at which the amendment is offered, without regard to other reasons, makes it clearly subject to a point of order. This is a barracks and quarters paragraph. We are carrying moneys for the purpose of increasing the recreational facilities at the various camps and cantonments. The gentleman's appeal should be to the War Department and not to the Appropriations Committee. We think when this bill passes, they will have sufficient money to take care of all proper needs touching the recreational facilities at camps.

Mr. ANDERSON. Will the gentleman point out to me where in this bill provision is made for such a proposal as I have submitted?

Mr. SHERLEY. Under military post exchanges there is a provision, although the gentleman ought not to ask me where to amend the bill.

Mr. ANDERSON. I am not asking where to amend the bill, I think it is in order here.

Mr. SHERLEY. Jestings aside, we tried to give the War Department funds sufficient to deal properly with the recreational phases of camp life. We suspected that if we were subject to criticism it would be because we had been too liberal.

Mr. ANDERSON. How much does the bill carry for this purpose?

Mr. SHERLEY. I think something over half a million dollars.

Mr. TILSON. The gentleman will find it on page 41 of the bill, \$550,000.

Mr. ANDERSON. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. without objection, the amendment is withdrawn.

There was no objection.

The Clerk read as follows:

Construction and repair of hospitals: For construction and repair of hospitals at military posts already established and occupied, including the extra-duty pay of enlisted men employed on the same; construction and repair of general hospitals and expenses incident thereto; additions needed to meet the requirements of increased garrisons, temporary hospitals in standing camps and cantonments; and, during the fiscal year 1918, for the alteration of permanent buildings at posts for use as hospitals, construction and repair of temporary hospital buildings at permanent posts, construction and repair of temporary general hospitals, rental of grounds and rental and alteration of buildings for use for hospital purposes in the District of Columbia and elsewhere, including necessary temporary quarters for hospital personnel, outbuildings, heating and laundry apparatus, plumbing, water and sewers, and roads and walks for the same, \$18,000,000.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I wish to ask the gentleman from Kentucky if in the hearings it was disclosed that this amount of money will put the hospital service at the Army cantonments in such shape as to justify a belief that every facility needed for the proper care of the men will be afforded.

Mr. SHERLEY. In reply to the gentleman, I will say we gave them everything they asked for, and apparently they have asked for everything they could think of. [Laughter.]

Mr. MADDEN. There was no disposition on the part of the committee to restrict them in these funds?

Mr. SHERLEY. The committee did not restrict them.

Mr. MADDEN. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Military post exchanges: For continuing the construction, equipment, and maintenance of suitable buildings at military posts and stations for the conduct of the post exchange, school, library, reading, lunch, amusement rooms, and gymnasium, including repairs to buildings erected at private cost, in the operation of the act approved May 31, 1902, for the rental of films, purchase of slides, supplies for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established or which may be established hereafter, to be expended in the discretion and under the direction of the Secretary of War, \$550,000: *Provided*, That not more than \$25,000 of this appropriation may be expended for personal services and no person shall be employed hereunder at a rate of compensation exceeding \$1,800 per annum.

Mr. ANDERSON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 41, line 24, after the figures "\$550,000," insert: "*Provided*, That of this sum \$15,000 may be used in the completion and inclosure of the recreation stadium at Camp Cody, N. Mex., and equipment thereof."

Mr. ANDERSON. Mr. Chairman, I do not care to discuss the matter further. I have said all that I care to say about it.

Mr. SHERLEY. Mr. Chairman, I do not think the amendment ought to be adopted. I do not think it ought to be adopted, altogether aside from the merits of the proposal. If we commence the practice on an appropriation bill of this kind of specifying and indicating to the department what sums shall be spent at certain places, we will have confusion worse confounded. The committee tried to be generous. There is to be expended for the comfort and recreation of the soldiers in camps and cantonments more money than was ever expended by any other people at any time for such purposes. I do not say that because of objection to doing everything practical for their comfort, but the amount of money being spent there, the voluntary contributions and funds given by governmental action are large as sums go even in these days. The committee tried to be reasonably generous with the recreation board. We gave them a patient hearing; we went over their figures, having in mind the money they had available and the moneys that are being contributed by various charitable associations. If this particular matter of which the gentleman speaks is as desirable as his statement would lead us to believe, there ought to be funds within the amounts that have been appropriated to take care of it; but for Congress to indicate and direct that it should be so expended would be setting a precedent that would be fraught with great evil in the future.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word. I would like to say to the gentleman from Kentucky that I was at Camp Cody last fall, and the boys at that camp are without any form of recreation. The various National Guard regiments stationed at that camp had regimental funds upon which they drew to erect this stadium, but the funds became exhausted before the building was completed. It can not be used at the present time because it is not inclosed. Anyone who has been at Camp Cody will understand that all buildings at that place must be inclosed, owing to the frequent and severe sand storms which rage in that section of the country with painful regularity.

There is great need at Camp Cody for some form of recreation. I am almost under the impression that the War Department has entirely forgotten Camp Cody. There is nothing being done at that place for the comfort of the boys, and even the hospital is neglected, according to reports from several who have visited the camp. While I realize that there is a great deal of merit in what the able gentleman from Kentucky says, yet something should be done to take care of the situation.

I visited several cantonments last fall, and every camp visited had very good facilities for entertaining the boys, except at Camp Cody. I was at Camp Cody in November, and they then had a large tent which was used for entertainments, but a severe storm tore it from gudgeon to stern and the boys are absolutely without any form of entertainment—even picture shows—at the present time. I sincerely hope Mr. ANDERSON's amendment will prevail.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. ANDERSON) there were 16 ayes and 21 noes.

So the amendment was rejected.

The Clerk read as follows:

The appropriations made herein for "Regular supplies, Quartermaster Corps," "Barracks and quarters," "Waters and sewers at military posts," "Roads, walks, wharves, and drainage," "Construction and repair of hospitals," "Shooting galleries and ranges," "Barracks and quarters, seacoast defenses," and "Military post exchanges" shall continue available until December 31, 1918.

Mr. WILLIAMS. Mr. Chairman, I move to strike out the last word of the paragraph, and offer the motion for the purpose of making a few observations on the way some of the money we are appropriating so generously and lavishly is being expended by those in authority.

Among the various items of money appropriated in the section of the bill just read is one for the Quartermaster's Department, and I think this amount, with amounts formerly appropriated for this department, is ample and sufficient to warrant a proper and humane care to the soldiers now serving in the various camps and cantonments who are so unfortunate as to be visited with either sickness or death. I am sure it has been the intention of Congress to furnish every dollar necessary or in any way required to enable the War Department to give the very best of care and attention, including proper medical treatment, to our brave boys now in training, and in case of death to give them decent burial. Congress has done its full duty in this matter.

From divers complaints which have been addressed to me and to other Members of Congress from camps where Illinois soldiers are stationed, I am fearful that the money so generously appropriated by Congress for this purpose is not being in all cases properly and efficiently expended. I make this statement with great reluctance and sincere regret, but am impelled to do so from a profound sense of duty. I speak of this matter now because of a telegram I received this morning, signed by Dr. Sam W. Latham, State senator of Illinois, and by Hon. George W. Bagwell, State mine inspector for the eleventh district of Illinois. This telegram reveals deplorable conditions at Camp Zachary Taylor, and states a most painful and distressing event that has lately transpired there affecting an Illinois soldier and his family and friends. I read the telegram:

ELDORADO, ILL., February 14, 1918.

Representative THOMAS S. WILLIAMS,
Washington, D. C.:

John Alvey, a private from Saline County, in service at Camp Taylor, contracted pneumonia, from which he died. The grieving parents visited Louisville, Ky., and ordered the body shipped home. When the body arrived and the lid was lifted for the friends and relatives to see the last of the remains, imagine their surprise to find the corpse to be that of a negro. The people of Saline County wish to enter a vigorous protest against such preposterous inefficient conduct of our business. We appeal to you, as chosen Representative of the people, to take immediate and strenuous action to correct this deplorable manner of handling the Nation's affairs. We are ready to furnish proof of this statement, and letter follows explaining in detail. For the sake of Illinois and her wonderful, patriotic people, get busy.

SAM W. LATHAM,
State Senator, Fifty-first District.
GEORGE BAGWELL,
State Mine Inspector, Eleventh District.

The name of the soldier is Ferdinand L. Alvey instead of John Alvey, as stated in the telegram just read.

I desire to insert an article appearing in the Daily Register, of Harrisburg, Thursday, February 14, 1918:

TERRIBLE MISTAKE AT CAMP TAYLOR—BODY OF NEGRO SENT HERE INSTEAD OF THAT OF FERDINAND ALVEY.

Harrisburg experienced a shock Thursday morning, the sadness of which is hoped will never be repeated.

As was feared by readers of the Daily Register when it announced in its issue Wednesday that Ferdinand Alvey had grown worse, the popular and respected young man died at that cantonment following an attack of pneumonia, the latter having been brought on by a series of complications.

Mrs. John Alvey, mother of deceased, was at the bedside when her boy breathed his last. She accompanied the remains to this city, arriving Thursday morning. Rude & Templeton immediately transferred the body to their undertaking rooms and many relatives and friends gathered to take an anxious look at their departed associate.

Imagine the shock, the surprise, when the casket revealed the body of a dead negro instead of that of the popular Ferdinand Alvey. Such was the case, and the weeping of the relatives was almost more than the stout-hearted men could bear.

The casket contained the death certificate, the undertaker's certificate, and the shipping certificate, showing the same to contain the body of Ferdinand Lindza Alvey, aged 24 years, giving causes of death and other necessary information. Just where the mistake was made is not known. The undertakers here soon got the wires hot with inquiries to Camp Taylor and the Louisville undertakers.

Where the body of the mourned Ferdinand Alvey is is not known, or was not as we went to press with this paper. The stricken parents, the relatives, and friends have the profound sympathy of the entire community in their sad affair.

Just before the Daily Register went to press a telegram was received from Camp Taylor stating that the mistake was made and the body of the colored soldier boy shipped out before it was detected. The body of Ferdinand Alvey will leave Camp Taylor this afternoon at 5 o'clock and will arrive here Friday morning.

Mr. Chairman, this is a most shocking thing, resulting from a negligence so barbarously cruel and inhuman as to be almost unbelievable, a negligence criminal and inexcusable, demanding stern and speedy punishment.

Saline County, where this occurrence has taken place, is a small county in southern Illinois, whose citizenship is comprised largely of farmers and laboring people. These people are intensely loyal and have demonstrated their sterling patriotism in many ways since the beginning of the war. They have patriotically met every call made upon them. In the Young Men's Christian Association drive last fall the quota for Saline County was \$6,000. Patriotic meetings were held in various parts of the county, and when the campaign was over it was found that \$22,000 had been raised.

In each of the liberty loan campaigns they have oversubscribed their quota, as they did in the call for funds for the Red Cross.

They have not only shown their intense loyalty and love of country in meeting these material demands, but they have ungrudgingly given their loyal sons to the national cause. After the declaration of war and before the passage of the selective-draft law hundreds of brave young men from this county voluntarily enlisted and entered the Military Establishment of the Government. You will find them in the Regular Army, in the National Guard, in the Marine Corps, in the Aviation Corps, in the Medical Reserve Corps, in the Navy, and in every branch of the service.

These people, as do the people throughout all of southern Illinois, stand unreservedly and unitedly behind the Government in this hour of stress and storm, and are willing to give their all in the cause of justice and human liberty. But, Mr. Chairman, they demand, they have the right to demand, that their sons who don the uniform and go forth to fight under the flag, to live or die as God shall will, shall receive humane treatment from their Government. They demand this both for the living and for the dead.

This brave young man, Pvt. Ferdinand Alvey, who died wearing his country's uniform, was entitled to decent burial. His good father and mother, who had given him up as a sacrifice on the altar of freedom, and who had sorrowfully journeyed from their home in Illinois to Camp Taylor to be with him in the last sad hour, and had made arrangements with those in authority to have his body shipped back to the old home that he might have Christian burial at the hands of mourning relatives and friends of his youth and young manhood, should have been spared having a thing so tragic, so cruel, so gruesome, so criminally and brutally careless visited upon them by a Government to which they had made a gift so precious.

Mr. Chairman, I can say no more. Words fail me. The telegram I have just read tells the whole story and reveals a condition of such gross inefficiency and carelessness, such culpable neglect of duty, such brutal inhumanity, as to be almost inconceivable in a Christian Government.

I am not unmindful also of the outrage and great wrong done the young colored soldier and his people and friends. I am not informed as to who he was or his station in life. He died, however, wearing his country's uniform and was entitled to decent and humane burial. No doubt his good old mother, somewhere, perhaps, in a cabin in the mountains of Kentucky, maybe in an humble home in southern Indiana or Illinois, received a shock similar to that experienced by the father and mother of Ferdinand Alvey when the body of some one other than her own son was delivered to her door.

I have had other specific cases of inefficiency and neglect brought to my attention, of course not so horrible as this. I have quietly taken them up with those in authority when I could. I have made no comment. I have put nothing in the

RECORD, and have carefully refrained from criticizing the War Department, appreciating the tremendous burden this war imposes on public officials in every branch of the national service. I would add nothing to the burden now being carried by any public official. I want above all things our great country to emerge victorious out of this awful struggle. Liberty, public law, our peace and security as a great people, are at stake in the conflict. We must win, and I have no respect for any man who would add one ounce to the great burdens already borne by those who are conducting the great conflict. But we can not stand for criminal inefficiency, for brutal inhumanity, in these matters. I consider it my patriotic duty to speak out in matters of this kind.

This is a terrible thing. I denounce it and those responsible for it, whoever they may be. I denounce it in the name and in the memory of Private Ferdinand Alvey, who is gone; I denounce it on behalf of his grief-stricken father and mother; I denounce it on behalf of a million and a half of his comrades now wearing the uniform; I denounce it in the name and on behalf of the great State of Illinois that gave this gallant young man to the service of the Nation, and had a right to expect for him humane treatment in life and decent burial in death.

Mr. SHERLEY. Mr. Chairman, there is no one who will not agree in its entirety with the statement of the gentleman from Illinois [Mr. WILLIAMS]. That sort of thing ought to be impossible at these camps and cantonments. I do not know anything about the facts which the gentleman relates, but I assume that he has brought them to the attention of the War Department and that a proper inquiry will be made. Certainly a condition that permits such mistakes to be made is a condition the sooner remedied the better. Yesterday I called attention to the desirability of numbering every soldier in the service in order that he might have a permanent identification that would be positive and quick and sure under all conditions. That suggestion I personally made myself nearly two months ago, to both the War-Risk Insurance Bureau and to The Adjutant General. I am glad to say, as I said yesterday, that I understand that an order has been issued for the numbering of every man in the service, giving each a number that he will retain under all conditions, and which ought to make more certain his identification; but even without that, it is hard to find excuse for such a mistake as the gentleman speaks of. I trust that there may be found some explanation that at least will show that the abuse will not continue any further.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I would like to say just a word about the suggestion of the chairman, made yesterday, that all of our soldier boys should bear a definite number. I do this in view of a matter which is very painful to me in connection with the loss of the *Tuscania*, whereby five soldier boys living near my home went down to a watery grave. Some of the bodies have been recovered. This morning I received a letter from the father of one of those boys, a touching communication referring to the loss of his only son, and I think it is not amiss for me to read it to this House:

MILWAUKEE, WIS., February 13, 1918.

Hon. WILLIAM H. STAFFORD, M. C.,
Washington, D. C.

DEAR SIR: I thank you very much for your prompt reply to my message in regard to my son who was on board the *Tuscania*. As we have still received no word about him we fear he is among the lost. He was our only son, but we gave him willingly in the service of his country, our great regret being that he was not able to render more effective service before his life was taken.

We do not like to impose upon you, but if you can do anything toward helping us to find out whether his body was found and identified, and if so, where he was buried. We presume it would be impossible to have his body returned to us during the duration of the war, but if we know where he is perhaps we could get some one to look after his grave until this horrible war is over, and then we could go to see him and it might be possible to have his body brought home.

Anything you can do for us will be greatly appreciated. Thanking you, I remain,

Yours, truly,

H. H. PETERSON.

I took the question of burial and disinterment up with the Cemeterial Division of the Quartermaster Corps. The representative of that division informed me that early in the war they recommended to the higher authorities that every one of our soldier boys should not only have an identification number, but two identification tags, with their name attached, to be worn by them, so that there would be no question whatever that in case of death they could be identified. This officer admitted that those boys who went down on the *Tuscania* did not have any identification number, the explanation being that they were not yet assigned to any definite branch of the service.

Five of these boys are from Milwaukee, from my own district, and I have been daily calling up The Adjutant General's office to try to ascertain whether any information has been received as to whether they are still among the missing. The names of

two were listed in the telegraphic dispatches of the Associated Press as having been buried somewhere on the Scottish coast. The representative of the Cemeterial Division assures me that no bodies during the existing war can be brought back, that in France the bodies of those unfortunates who die in battle or by reason of disease have their graves marked in every case and a record is kept of the burial through a regular organization. He also informed me that the Quartermaster Corps undoubtedly is making a record as far as they can of those unfortunates of the *Tuscania* who are being buried in graves along the Scottish coast.

The case of Harry E. Peterson, which I have just cited, had a peculiar significance to me, because he was a West Division High School boy and from my district, a classmate of my nephew, who knew him well. He was a fine type of character. The sentiment that is expressed in this letter is grandiloquent of the devotion and resolve of the father and mother who have lost their all in the ill-fated sinking of the *Tuscania*. [Applause.]

The Clerk read as follows:

PANAMA CANAL
CONSTRUCTION.

For continuing the construction and equipment of the Panama Canal, to be expended under the direction of the governor: For completing Dock No. 6 at Cristobal, \$593,190, to continue available until expended; and the limit of cost fixed by the sundry civil appropriation act approved July 1, 1916, is increased from \$1,500,000 to \$2,093,190.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I wish to ask the gentleman from Kentucky whether it is because of the increased cost of labor and materials that the increased cost of this improvement here is suggested, or whether it is caused in large part by the increase in the character of the improvement?

Mr. SHERLEY. No; it is the actual increase of cost. It is a deficiency. The money that is allowed for this purpose was not sufficient to finish the entire superstructure at all, but simply to finish the foundation. The estimates were made, however, in 1916, and the increased cost in structural steel and other materials going to make the piers is responsible for this deficiency.

Mr. MADDEN. So that the language of the estimate limiting the cost was due in large measure to the fact that the material required to be used in the improvement has increased in price since the estimate was made?

Mr. SHERLEY. Yes. This dock is a duplicate of a number built down there within the limit of cost heretofore, but the increase in the cost of material makes this deficiency.

Mr. TILSON. Mr. Chairman, I rise in opposition to the pro forma amendment simply to ask the gentleman from Kentucky as to why this No. 6 Dock at Cristobal is lagging behind the others?

Mr. SHERLEY. It was started late.

Mr. TILSON. Is it an extra dock or part of a plan that was originally laid out?

Mr. SHERLEY. Well, there was a plan that contemplated at one time this dock to be built, and perhaps docks have yet to be built, but the policy was to build these docks somewhat as traffic demanded them, but they were not all undertaken at one time. This dock was undertaken very much later than the others, and that is the reason for the deficiency.

Mr. TILSON. It got caught in the high-price times?

Mr. SHERLEY. Yes.

The Clerk read as follows:

Provided, That the superintendent, assistant superintendent, and chief engineer of the State, War, and Navy Department Buildings shall serve in similar capacities in connection with these buildings.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word to ask the gentleman from Kentucky, the chairman of the committee, a question. Are these buildings mentioned in line 22, page 47, the \$2,000,000 concrete buildings that were appropriated for last summer?

Mr. SHERLEY. Not concrete buildings, but the \$2,000,000 frame buildings which were built down in Henry Park.

Mr. COOPER of Wisconsin. Are the employees carried in this paragraph all the employees in these buildings?

Mr. SHERLEY. This is simply for the maintenance of the force.

Mr. COOPER of Wisconsin. Simply for the maintenance of the force?

Mr. SHERLEY. Yes.

Mr. COOPER of Wisconsin. How many employees, approximately, are there employed there? Does the gentleman know about how many?

Mr. SHERLEY. I think there will be over 8,000 when they are all fully completed and filled. I do not recall the exact number now.

Mr. JUUL. Mr. Chairman, I move to strike out the last word. I desire to ask the gentleman from Kentucky a question. In

line 12, page 48, are mentioned 3 forewomen, at \$300 each, and 60 at \$240 each. Now, what I want to ask. Is that all the compensation that these 60 women secure from the Federal Treasury for one year's work, \$240?

Mr. SHERLEY. This is all the salary paid them for the part of the day's work that they give to the Government.

Mr. JUUL. Of course, I do not know, Mr. Chairman, what portion of their time they give to the Government.

Mr. SHERLEY. I was just going to tell the gentlemen that they are charwomen and give a certain part of their time in scrubbing and cleaning the buildings. That is the rate of compensation that has been carried for a number of years past. They, of course, are benefited now and will be benefited by an increase in the salary of employees generally that has been and might be enacted by Congress and which is in contemplation.

Mr. JUUL. Will these women get a percentage of the increase in addition to the sum here mentioned?

Mr. SHERLEY. They would get whatever increase is made for employees, and, presumably, if it was a percentage increase they would get that percentage on the sums named here.

Mr. JUUL. I have not figured it out, but it is about 50 or 60 cents a day, and out of that they have to pay 10 cents car fare. And if the gentleman has not absolutely made up his mind to amend his own bill, I certainly will not attempt to do it. I think they should be paid somewhat better than that.

Mr. SHERLEY. The gentleman may be quite right, and yet "the gentleman from Kentucky" is also quite right in not having the bill amended. And I will explain why. The whole policy of this bill is to deal with deficiencies and not carry increases of salary, which can and should be taken up in a different form. Now, just as the amendment that was offered a while ago by the gentleman from Minnesota [Mr. ANDERSON] might have merit as a substantive proposition, standing alone, yet it would have been a legislative mistake, because it would have set the practice of enumerating an expenditure of funds for particular purposes, where that discretion ought to be left with the department. Now, in this case, if we were to undertake to increase these compensations which the gentleman thinks are too small, it would practically open this bill for increase of compensation everywhere along the line. The result would be that one group of men one day, dealing with the matter and another group another day dealing with it, would do all sorts of grotesque things, and instead of being order there would be confusion worse confounded.

Mr. JUUL. If the gentleman will permit me, I ask, if he wants to be liberal, would it not be better if Congress would be a little bit grotesque and occasionally interfere with the chairman of the committee, rather than to ask women in the city of Washington, with prices as they are to-day, to work for \$240 a year?

Mr. SHERLEY. Nobody is asking them to do that. The gentleman assumes this is compensation for their entire time.

Mr. JUUL. That is what I am trying to find out.

Mr. SHERLEY. I have stated that they are only giving limited time of each day.

Mr. WHEELER. How much time do they put in each day?

Mr. SHERLEY. About two hours.

Mr. JOHNSON of Kentucky. If I may be pardoned, I made some inquiry into the subject a year or two ago, and I ascertained that charwomen in the House Office Building got their pay there, and then went over to the Library and did some things there and got their pay; and some of them even went downtown and did cleaning and got their pay there.

Mr. WHEELER. I assume that many of these women are women with families, and only devote a part of their time to the work?

Mr. SHERLEY. Manifestly, I can not answer that.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words, for the purpose of giving the gentleman from Illinois some information.

Mr. SEARS. Mr. Chairman, I move to strike out the last word. If I understood the chairman, this appropriation of \$67,466.67 is simply for maintenance force?

Mr. SHERLEY. Yes.

Mr. SEARS. Does this building have a separate electric-light plant or are the lights furnished by the city?

Mr. SHERLEY. It is buying light from the Potomac Electric Power Co.

Mr. SEARS. I notice in this bill, Mr. Chairman, they have one chief electrician at \$1,400 a year and three assistants at \$1,200 a year each. It strikes me the committee has been rather liberal in providing for this building.

Mr. SHERLEY. In point of fact, if the gentleman will permit, I think the mistake is that we have really underestimated some of the help that is going to be needed there, as I think the gentleman will agree if he will examine it and compare it with

any other building in Washington. These three buildings are grouped and are larger than the War and Navy Building, the Treasury Building, or most of the buildings with which the gentleman is familiar. They asked for six electricians and assistants, and we cut them to four.

Mr. SEARS. Mr. Chairman, I simply want to make this observation. I am satisfied the chairman has cut it, and I am also surprised that the cut was made. This may be unusual in the city of Washington, but some of the Members of this Congress have had experience at home in running electric-light plants lighting an entire city, and no such expense as that would be considered for one moment by the citizens of any town or by any Member of Congress if they knew they were employing a chief electrician and two assistant electricians to look simply after the light in a building, when anybody who knows anything about electricity to-day knows that there is nothing to do but replace a light now and then. I am satisfied this would not be indorsed by our constituents. I have hoped that after this war a wave of economy will strike the country and that we would get back to earth once more and cease taxing our own people so much in order that people can hold good jobs in the city of Washington.

Mr. SHERLEY. I am very much gratified at the disposition of economy on the part of the gentleman from Florida [Mr. SEARS] and I hope it will prove contagious generally. However, his conception of the duties of these electricians is inadequate, I think. Their duties amount to something more than replacing worn-out electric lights with perfect ones. I think it only fair to say that there is a million square feet of floor space. There are special electrical systems for checking up the guards of this building and for fire-alarm purposes, which at this time are matters of great importance. There are many other duties that fall to the lot of these people. But I do not want by what I am saying to discourage the gentleman or anybody else from an awakened spirit of economy.

Mr. MADDEN. Will the gentleman yield?

Mr. SHERLEY. Certainly.

Mr. MADDEN. As a matter of fact, there is only \$5,000 of this sum to be paid to electricians.

Mr. SHERLEY. Of course, nobody had any idea—

Mr. MADDEN. But I think the impression of the gentleman was that the whole \$67,000 was being paid to electricians.

Mr. SEARS. I did not intend to convey that impression. There are also two painters.

Mr. MADDEN. And two painters can not do the work required there, and five painters or ten painters can not do it.

Mr. SEARS. Perhaps not. I never painted a day in my life; but two electricians can look after it.

Mr. MADDEN. I think the figures of the Committee on Appropriations will be so low that they will be found to be inadequate.

Mr. SHERLEY. I frankly stated to the House that a mistake had been made in this force and there will have to be an increase in it.

Mr. MADDEN. Surely there will.

The Clerk read as follows:

TEMPORARY OFFICE BUILDINGS.

For two three-story temporary office buildings of reinforced concrete with wings 60 feet wide, one for the Navy Department to contain approximately 940,000 square feet and one for the War Department to contain approximately 835,000 square feet, to be erected under the direction of the Secretary of the Navy in Potomac Park west of Seventeenth Street and south of B Street, beginning with the Navy Department Building at a point not less than 235 feet west of the westerly curb line of Seventeenth Street and 50 feet south from the southerly curb line of B Street and extending southerly not more than 620 feet from the said B Street curb line and westerly to a point not beyond the easterly building line of Twenty-first Street, including electrical equipment and a temporary heating plant for both buildings, to be located south of D Street and west of Twenty-fifth Street, with necessary connecting mains, \$5,775,000.

Mr. CLARK of Florida. Mr. Chairman, I desire to make a point of order against this paragraph.

I make it upon the ground, Mr. Chairman, that the construction of this building has not been authorized by law, and upon the further ground that the appropriation is not to continue or to complete a work already begun or in progress.

The CHAIRMAN. Does the gentleman from Kentucky desire to be heard?

Mr. SHERLEY. Mr. Chairman, I trust the gentleman may reserve the point of order for a minute.

Mr. CLARK of Florida. I am perfectly willing to do that, and I will say to the gentleman that if he will let it go over—and we can not dispose of the bill to-day, anyhow—until Monday, I will reserve it.

Mr. SHERLEY. There is not any doubt that the matter is subject to a point of order if the gentleman wants to take the responsibility of making the point of order.

There is nothing more important to this Government at this time than the construction of these buildings as quickly as

possible. The committee has not sought to take jurisdiction of this matter for the sake of having jurisdiction. We have all the work we can do, and then some, and we are not hunting new work for the Committee on Appropriations. But when situations are acute, when situations that affect the prosecution of the war come forward, that committee will in the future, as in the past, endeavor to deal with them; and for us not to have brought in these matters would have subjected the committee to criticism of the most severe kind. In the event the gentleman from Florida desires to make the point of order, I shall, of course, ask the Committee on Rules to bring in a rule making in order this important paragraph.

Mr. SEARS. What is the immediate necessity for the passage of this proposition? Is it lack of office space?

Mr. SHERLEY. Yes; lack of office space. The lack is so acute that to-day there is serious embarrassment in the efficiency of the various corps of the War Department and other departments of the Government.

Mr. SEARS. Then there is a lack of space?

Mr. SHERLEY. There is.

The CHAIRMAN. Does the gentleman from Florida [Mr. CLARK] insist on his point of order?

Mr. CLARK of Florida. Mr. Chairman, so far as the urgency of this matter is concerned, the Committee on Public Buildings and Grounds, which has jurisdiction of this subject, could have heard this matter and could have brought in this matter authorizing it at any time.

I am making the point of order, Mr. Chairman, simply to preserve the jurisdiction of the committees of this House. If it is not proper that the Committee on Public Buildings and Grounds should have jurisdiction to authorize these buildings, then the House ought, by rule, to take the jurisdiction away from it and give it to the Committee on Appropriations or some other committee.

It would have been as easy to have submitted the proposition to the Committee on Public Buildings and Grounds as to take it to the Committee on Appropriations. I do not see that any time has been gained by taking it to the Committee on Appropriations. We have been here since the beginning of the session of Congress, and our committee has been ready at all times to attend to business.

I want to say further, that while this building may be urgent, when I was a member of a public-buildings commission, composed of six Representatives and six Senators and three outside officials, representatives of the War Department and Navy Department came to that commission and represented that if they could get a million square feet of space it would be ample for the overflow of these two departments during the war, and we gave it to them. Now, without consulting us further, without even going before the Public Buildings Commission before it expired by limitation, or going before the Committee on Public Buildings and Grounds, an appropriation is brought in here authorizing the construction of 2,500,000 more square feet of space for these same people, and I submit that the orderly way to dispose of these matters is to go to the proper committee having jurisdiction of them and having those committees investigate them. We have investigated all these other matters. Those matters of public buildings have all been submitted to us, and they have had plenty of time to present this proposition. It is not right, upon the plea of urgency, to take jurisdiction from committees in this way, and I therefore make the point of order.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

For two three-story temporary office buildings of the type erected in Henry Park, one to be located in Seaton Park (north) between Four-and-a-half and Sixth Streets and south of Missouri Avenue and to contain approximately 370,000 square feet and one to be located on the Mall between Seventh and Eighth Streets and B Street north and B Street south and to contain approximately 300,000 square feet, and for a three-story temporary office building of reinforced concrete to be located in Seaton Park (south) between Four-and-a-half and Sixth Streets and north of Maine Avenue and to contain approximately 270,000 square feet, including heating and lighting and the necessary connections, to be erected under the direction of the Secretary of War for the use of the War Department, \$2,377,500.

Mr. CLARK of Florida. Mr. Chairman, I make the point of order to that on the same ground.

The CHAIRMAN. The point of order is sustained. Without objection, the point of order will also be sustained to lines 5, 6, 7, and 8, because they no doubt pertain to that same paragraph. The Clerk will read.

The Clerk read as follows:

The maintenance and protection of all of the foregoing temporary buildings when completed shall be under the supervision and direction of the officer in charge of public buildings and grounds.

The CHAIRMAN. Without objection, the point of order will be sustained to that paragraph.

Mr. SHERLEY. Mr. Chairman, the Committee on Appropriations, in considering the deficiencies which have been presented to the House, had to consider, among other things, the need of additional clerks, and they had to consider questions of rent; they had to consider the various activities of the Government. It was only by a consideration of these matters that that committee or any other committee could intelligently arrive at the needs of the Government touching additional buildings in the District of Columbia. It followed of necessity that if we were to examine intelligently into matters pertaining to additional clerks, matters pertaining to rent, matters pertaining to the activities of the Government, we had also to consider the matter of new buildings, where to be located, and the extent of them.

I repeat, the Committee on Appropriations has not sought to interfere with the jurisdiction of any other committee, but the Committee on Appropriation is impressed with the fact that more important than the prerogatives of committees is the prosecution of this war, and it indulges in the fond hope that that viewpoint will be somewhat concurred in by the House of Representatives. The putting out of this bill of these provisions, if continued, will result in many days of delay in connection with the building program that is now pressing, and which is so pressing that I have been not only in daily but frequently hourly communication with the various departments, they begging that they be allowed to proceed with some of the building program without waiting for the authorization of Congress.

The building commission of which the distinguished chairman of the Committee on Public Buildings and Grounds speaks went out of existence in December. Manifestly the Committee on Appropriations could not lay before a commission that no longer existed matters that might have pertained to it when it did exist. And I repeat that I shall ask the House—not as a matter of sustaining the Committee on Appropriations, not as a matter of taking anything away from the Committee on Public Buildings and Grounds, but as a matter of first necessity to the Government in the prosecution of the war—to make these items in order by a rule, so that the House may have a chance to pass upon the wisdom of the proposals here submitted.

Mr. CLARK of Florida. May I ask the gentleman a question?

Mr. SHERLEY. Certainly.

Mr. CLARK of Florida. It is true that the Public Building Commission has gone out of existence, but does not the gentleman think that when a matter is submitted to his committee that clearly belongs to another committee, the proper thing would be to refer the gentleman submitting it to that other committee?

Mr. SHERLEY. Frankly, and I say it to the gentleman in all kindness, I do not believe that it would be possible, and that without regard to personnel, for the Committee on Public Buildings and Grounds, without going largely into the scope of the whole deficiency bill, to arrive at a determination touching the building needs here in Washington now, because the situation now is not a normal one. Oh, the gentleman may smile, but if the gentleman had worked as I have worked and the members of my committee have worked for more than a month past in trying to correlate the number of employees that are to be in the departments, now and subsequently, to the amount of space that is here—if he had sent out to every department of this Government a request, and had had a return as to the space that is being used, the rents that are being paid for it, and the amount of space that they expect to use, then he would have found that there is something more than simply a building program, as ordinarily understood, for the consideration of a committee dealing with the matter.

Mr. CLARK of Florida. I should like to ask the gentleman how he makes a deficiency out of this matter at all.

Mr. SHERLEY. I do not make a deficiency out of it as regards money. I make a deficiency out of it as regards the things needed, and in this war the important thing is to get a result and not consider simply the desires and the prerogatives of various and sundry individual Members and of committees.

Mr. CLARK of Florida. Mr. Chairman, if the gentleman will permit me, I think the Committee on Public Buildings and Grounds is as thoroughly patriotic a committee as the Committee on Appropriations.

Mr. SHERLEY. Unquestionably. It is not a question of patriotism, and nobody is suggesting that.

Mr. CLARK of Florida. And I want to say further that I think, without any reference to the question of coordination, and the question of deficiencies here and there, the Committee on Public Buildings and Grounds are as capable of dealing with a building of this character, and we would do it just as promptly. But this item has no place on a deficiency bill to start with, because it is not a deficiency and does not relate to a deficiency.

Mr. SHERLEY. That would be true of the building program that took place last year. That would be true of any building program that would now be submitted. It would not be a deficiency in the sense of money, but it would be a deficiency in the other sense, and the gentleman is putting a construction very much narrower than the facts warrant upon what constitutes deficiencies within the jurisdiction of the Committee on Appropriations. Now the concrete fact is that if this is not carried here there will be a delay of weeks in this important work.

Mr. JUUL. I desire to ask the gentleman from Kentucky another question. Is not the gentleman from Kentucky reversing himself now?

Mr. SHERLEY. That may be. I am not conscious of it.

Mr. JUUL. In his discussion with the gentlemen of the Building Committee a little while ago the gentleman from Kentucky ruled that a matter of a little new work down at Camp Cody where the sand storms occur was entirely out of order. Is not this a complete reversal of what the gentleman ruled before?

Mr. SHERLEY. I do not see it.

Mr. JUUL. That was a new appropriation.

Mr. SHERLEY. Well!

Mr. JUUL. This is new work.

Mr. SHERLEY. Well!

Mr. JUUL. It should have gone to that committee. You ruled properly that you could not take up this matter, because it was new legislation.

Mr. SHERLEY. The Chair ruled that way. The gentleman from Kentucky did not and can not pass on that question here.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Northwestern Branch, Milwaukee, Wis.: For subsistence, \$31,000;
For household, \$45,000;
For repairs, \$2,000;
In all, \$78,000.
Eastern Branch, Togus, Me.: For subsistence, \$5,000;
For household, \$30,000;
For farm, \$1,000;
In all, \$36,000.

Mr. COX. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee whether these increases are due to the increased number of inmates in these homes or to the increased cost of living?

Mr. SHERLEY. They are practically due to the increased cost of supplies in the way of fuel and food and forage.

Mr. COX. Not much of it, then, is due to the increased number of soldiers?

Mr. SHERLEY. In only one place, as I recall, was that a factor.

Mr. COX. Where was that—in Indiana?

Mr. SHERLEY. In the Pacific Branch.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

Transportation: For travel allowance of enlisted men discharged on account of expiration of enlistment; transportation of enlisted men and apprentice seamen and applicants for enlistment at home and abroad, with subsistence and transfers en route, or cash in lieu thereof; transportation to their homes, if residents of the United States, of enlisted men and apprentice seamen discharged on medical survey, with subsistence and transfers en route, or cash in lieu thereof; transportation of sick or insane enlisted men and apprentice seamen to hospitals, with subsistence and transfers en route, or cash in lieu thereof; transportation of enrolled men of the Naval Reserve Force to and from duty, with subsistence and transfers en route, or cash in lieu thereof; apprehension and delivery of deserters and stragglers, and for railway guides and other expenses incident to transportation, \$2,000,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Can the chairman of the committee inform me if this \$2,000,000 item for travel allowance to enlisted men, and so forth, which by special provision is made to include the Naval Reserve Force, also includes the Coast Guard personnel, which has been taken over by the Navy Department under the act combining the Life-Saving Service with the Revenue-Cutter Service?

Mr. SHERLEY. If the gentleman will permit, these services have been taken over by the Navy, and the appropriations for the Coast Guard are first available. If they are not sufficient, the moneys would be paid out of the naval appropriations.

Mr. WALSH. Then the gentleman thinks this language is broad enough to permit that?

Mr. SHERLEY. Yes. There is an express statute which says that that shall be done. These services, when they come within the naval service, are subject to the rules that appertain to the Navy.

Mr. WALSH. But I was interested to know why this paragraph made special mention of the Naval Reserve.

Mr. SHERLEY. The Naval Reserve are in a different class from the Coast Guard Service. There was formerly a special fund for the Naval Reserve, and in order to discontinue that practice they were expressly enumerated here.

Mr. WALSH. One further point. What is meant by "stragglers"? This provision says "deserters and stragglers." Are those men that have wandered off?

Mr. SHERLEY. A straggler is a man who has overstayed his leave, and yet is not strictly a deserter.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Contingent, Bureau Yards and Docks: For contingent expenses and minor extensions and minor improvements of public works at navy yards and stations, \$2,000,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Can the chairman state the distinction between contingent expenses of the Bureau of Yards and Docks and minor extensions and minor improvements and the repairs and extensions under the previous item? Can the gentleman state whether these are permanent improvements or extensions made necessary by war emergency?

Mr. SHERLEY. They are funds that overlap; there is no line of distinction.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Hampton Roads, Va., naval operating base: For additional for payment of compensation for property taken over under the authority contained in the deficiency appropriation act approved June 15, 1917, \$55,072.25, or so much thereof as may be necessary.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Can the chairman state whether this is the item that provides for the purchase of a part of the old Jamestown Fair exposition grounds?

Mr. SHERLEY. Yes; this is a part of it.

Mr. STAFFORD. What progress was made toward the Government getting title to all the tract, and whether it was necessary to resort to commandeering. There was considerable opposition to the plan suggested and there was a compromise agreed upon whereby the act went through the House.

Mr. SHERLEY. Under the act as it passed Congress the President was authorized to take possession and did take possession of this land. A commission was created to determine the amount of compensation to be paid the owners. The commission made its report. That report has been acquiesced in by a certain number of the property owners and the compensation accepted. By a certain other number it has been rejected, and under the law three-quarters of the price so fixed is to be paid them and the balance left as a matter of suit. There were 22 claimants who declined to accept the award.

Mr. STAFFORD. Can the gentleman give the acreage or the extent of the property that they control?

Mr. SHERLEY. I can not give it from memory, but the gentleman will find it in a report made, known as the report of the Board for Acquiring a Naval Site at Hampton Roads, Va. He will find what he seeks in that report and a great deal more which is set out there. The effect of the act of Congress is going to be, I fear, that instead of saving money we will spend a little more than the price agreed to by the House conferees of the Appropriation Committee in conference with the Senate conferees which the House rejected and for which it substituted a provision under which this action is now taken.

Mr. STAFFORD. It was stated privately that the arrangement agreed to by Congress would result in a greater amount being paid for the land than was originally provided. We had rather a tentative assurance by the Representative of that district—of course, not binding—that the owner of the principal part of that land would adhere to his original proposition and accept the price and not attempt to withdraw from the original price agreed upon.

Mr. HOLLAND. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. HOLLAND. The gentleman is mistaken about any tentative agreement that the owners would accept the price. When the original proposition was made to accept \$1,400,000, that proposition would have gone through because certain business men of Norfolk were practically standing behind it and practically guaranteeing that the Government might have the property at that price, but there was no such understanding when that proposition was declined.

Mr. STAFFORD. When Congress changed the terms so as to allow the Government to commandeer immediately, did the commercial interests or any other interests withdraw from

their part of the understanding, throw up their hands, and say, "Now Congress has determined another course, we will not assist to get the property at the original figures."

Mr. HOLLAND. The people are willing that the Government should have the property at a reasonable and proper figure.

Mr. FLOOD. All that was discussed on the floor was that when the offer made by the people was not accepted, then it in all probability would be thrown into court. Certain owners of a part of this property were not disposed to accept the amount offered for it as a whole.

Mr. STAFFORD. The owners of what part of the property? Were they the owners that had purchased the original site of the exposition grounds and the owners of the larger part?

Mr. FLOOD. No; the owners that we were talking about were the owners of the small lots, little dwelling houses.

Mr. STAFFORD. Mr. Chairman, of course I would not rise to criticize the action of any small owner, but I understood that the owners of the larger tracts were desirous of getting rid of their holdings, and what I want to know is whether they adhere to a gentleman's agreement and allowed the property to be handed over to the Government.

Mr. FLOOD. There was absolutely no gentleman's agreement. They offered the property at so much, and the Government declined to take it and instituted another method of procedure.

Mr. STAFFORD. Mr. Chairman, as I recall, the Government appropriated sufficient money to pay them for the property at that figure?

Mr. FLOOD. Not at that figure. It was \$1,250,000, not \$1,400,000.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. Can the gentleman from Virginia give the House any information as to how much of that original tract is now in possession of the Government by purchase from the owners?

Mr. FLOOD. No.

Mr. SHERLEY. I can give the gentleman the information. Seventeen claimants to property in the Pine Beach tract have formally advised of their rejection of the valuation on the property claimed by them. The valuation of the property claimed by these 17 parties as found by the board amounts to \$205,865. Five claimants within the exposition site tract have formally advised the board of their rejection of the value placed on their property. The total value found for the property held by these five parties amounts to \$465,586. The total amount of the awards to these 22 claimants that have formally rejected the values found for their property amounts to \$671,451.

Mr. STAFFORD. Can the gentleman give us the total amount of the awards by the board of all of the property?

Mr. SHERLEY. This may answer the gentleman's inquiry. Assuming that all of the claimants other than these 22 will finally accept the valuation found for this property, it will amount to a payment to them of \$751,454, which amount, added to the \$503,588.25, will make the total amount necessary to carry out the provisions of the act of \$1,255,072.25.

Mr. STAFFORD. Then the substituted provision of the House reducing the original authorization from \$1,400,000 to \$1,200,000 is a saving to the Government of in the neighborhood of \$150,000?

Mr. SHERLEY. The amount that I have read will be the amount necessary to pay upon the basis of the acceptance of the three-fourths—75 per cent. They then go into court, and if they obtain a greater sum than the award, the amount may run over \$1,400,000.

Mr. STAFFORD. Do I understand that the total awards for the 22 claimants is \$671,000, or is that merely the 75 per cent of their award?

Mr. SHERLEY. The total amount awarded is \$1,422,935. That is \$22,935 more than the agreement contemplated paying under that first arrangement.

Mr. STAFFORD. And with the risk of an additional allowance being awarded by the court?

Mr. SHERLEY. In case they succeed in the court in getting amounts greater than the awards.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. SABATH. Mr. Chairman, I move to strike out the last word with the intention of asking the chairman of the committee a question. I notice there is an appropriation of \$2,750,000 for

hospital construction. I would like to know how much of that will be expended or is intended to be expended for hospitals at the Great Lakes station?

Mr. SHERLEY. It has all been expended. Seven hundred and seventy-five thousand dollars of it went to Chicago.

Mr. SABATH. Has this all been expended?

Mr. SHERLEY. Yes; this is to take care of deficiencies.

Mr. SABATH. All of it?

Mr. SHERLEY. All of it.

Mr. SABATH. I do it because I am informed that between 55 and 60 per cent of the enlistments are made down there for the Navy, and I notice they have from 25,000 to 35,000 men stationed there most of the time, and they need a great deal of room.

Mr. SHERLEY. There has been considerable increase in bed capacity on the part of the Navy hospitals, and this is to pay the bills.

Mr. SABATH. That is all right.

The Clerk read as follows:

The total limit of cost of the five Coast Guard cruising cutters, fixed at \$2,250,000 by the naval appropriation act approved March 4, 1917, is increased to \$3,500,000: *Provided*, That if in the judgment of the Secretary of the Navy the most rapid and economical construction of the foregoing vessels can be obtained thereby, he may contract, within the limit of cost herein named, for the construction of said vessels upon the basis of actual cost plus a reasonable profit to be determined by him.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. What progress has been made, if the chairman knows, in the construction of these Coast Guard cutters?

Mr. SHERLEY. None. No work has been done and no work could be done on the kind of cutters they now want within the limit of cost now fixed. So they came and asked for an increase, to enable them to get cutters of a little bit wider beam, I think, and greater length, in order that they might be more seaworthy and carry heavier armament and be of greater value in connection with their use as patrol boats, and so forth. I will say to the gentleman that the committee went rather exhaustively into one phase of this matter. There seemed some question as to whether we should be appropriating money for additional Coast Guard cutters at a time when there was an apparent scarcity in yards and in labor in connection with the building of ships. It was insisted, however, both by the Coast Guard Service and the Navy, that we could have these ships built in yards not now being used and that would not be otherwise used in connection with any of the shipbuilding program, and they felt that it could be done without interfering with the labor supply; that these ships represented a type that was badly needed, and they urged both from the standpoint of the Coast Guard Service and the standpoint of the Navy's need in connection with the war maneuvers that the ships be authorized, and the committee finally acquiesced in their recommendations.

Mr. MADDEN. One of the reasons why I rose to inquire about this item was that, if I recall, a year ago when these boats were originally appropriated for it was indicated there was urgent need for their immediate construction, and I was rather curious to know why we waited a year before we began the construction of any of the boats then authorized.

Mr. SHERLEY. They said they could not get the work done for the money. This is the second time we have increased the limit of cost.

Mr. MADDEN. Could they not have started part without starting all?

Mr. SHERLEY. Except each one had to be built within a certain amount, and the amount was too small.

Mr. MADDEN. I see.

The Clerk read as follows:

Midshipmen's store fund (reimbursable): The Secretary of the Navy is authorized to advance to the midshipmen's store fund at the Naval Academy the sum of \$50,000 under "General account of advances," said sum to be used for the purchase of stores and to be accounted for in the same manner as is provided for the midshipmen's store fund in the act approved May 13, 1908, and to be repaid into the Treasury not later than December 31, 1919.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. Does this item mean we are running a farm down here somewhere in Maryland for the purpose of furnishing milk for the midshipmen at Annapolis, at the Naval Academy?

Mr. SHERLEY. That is the situation.

Mr. MADDEN. And the farm is being run as a distinct institution separate and apart from the Naval Academy, and all the supplies that are raised on that farm, including milk, are sent to the Naval Academy and to no other place?

Mr. SHERLEY. They have a dairy herd there that they have been maintaining for the purpose of supplying the academy with milk, and the very great increase in the number of midshipmen at the academy, and also a desire to somewhat enlarge the herd at this time, made it desirable that they obtain

this sum of money which is reimbursable out of the midshipmen's store fund, which fund was not now large enough to permit this draft to be made upon it at this time.

Mr. MADDEN. So, as a matter of fact, the midshipmen's store fund will be chargeable with the amount of this appropriation in any event?

Mr. SHERLEY. It will be, and the result of this action is simply to permit the money to be advanced.

Mr. MADDEN. It is simply an advance?

Mr. SHERLEY. Yes.

The Clerk read as follows:

For support of Indian day, boarding, and industrial schools, in addition to the general and specific appropriations made for that purpose in the Indian appropriation act for the fiscal year 1918, \$250,000, or so much thereof as may be necessary: *Provided*, That no part of this sum shall be expended upon improvements or used to increase the compensation of employees: *Provided further*, That except for pay for superintendents and for transportation of goods and supplies and transportation of pupils, not more than \$200 shall be expended from appropriations made in this act for the annual support and education of any one pupil in any Indian school, unless the attendance in any school shall be less than 100 pupils, in which case the Secretary of the Interior may authorize a per capita expenditure not to exceed \$225: *Provided*, That the total amount appropriated for the support of such school shall not be exceeded: *Provided further*, That the number of pupils in any school entitled to the per capita allowance hereby provided for shall be determined by taking the average attendance for the entire fiscal year and not any fractional part thereof.

Mr. CAMPBELL of Kansas, Mr. WALSH, and Mr. MADDEN rose.

The CHAIRMAN. The gentleman from Kansas.

Mr. CAMPBELL of Kansas. Mr. Chairman, I move to strike out the paragraph beginning on line 8, page 67. There is much of it subject to the point of order, and if this item is justified it ought to stay in and ought not to go out on a point of order. Therefore I have raised the question directly as to the merits of the proposition. The question was presented to the Committee on Indian Affairs, but no information that would justify such an appropriation was submitted by the Bureau of Indian Affairs, and I would like to know whether or not the Committee on Appropriations had specific information justifying this appropriation?

Mr. SHERLEY. We would not have made it if we did not think so. It came before the committee by virtue of a direct reference, which is to be found in House Document No. 721, to prevent the Indian schools from being closed up this winter.

Mr. CAMPBELL of Kansas. Was there a showing made of the amount necessary for the support of any school?

Mr. SHERLEY. A detail of it was not made in all instances because of a lack of time to obtain the information. It was made as to a number and as to the rest it was safeguarded by the language which was put in this bill which would prevent the money for keeping the schools open from being used for the purpose of increasing salaries or for other purposes that might be questionable. Now, the sole purpose of this fund, and the sole purpose that it can be used for, is in connection with the maintenance of schools as they are now being run. If the gentleman thinks we ought to permit Indian schools to be closed and the Indian children to be sent home at this time, why, his motion is right.

Mr. WALSH. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I do not think so. I do not think the Congress or the Committee on Indian Affairs or this committee should permit any Indian schools to close for want of sufficient funds to maintain them, but I do believe that when a department asks for money upon a statement that it is needed to continue a school for the remainder of the fiscal year that they should state exactly how much they require for that particular school before getting the appropriation.

Mr. SHERLEY. Oh, I agree with the gentleman, but at the same time I do not want the Indian children to suffer by virtue of our failure to act. For instance, I notice that at the Haskell Institute in Kansas there is \$18,000 needed in order to enable that school to continue.

Now, I submit to the gentleman that even if we did not have all the detailed information that we ought to have and that we would like to have, and had not safeguarded the funds the way we have, we are warranted in appropriating money in order that the school in Kansas shall not close and those Indian children shall not be taken out of school.

Mr. CAMPBELL of Kansas. I am glad the gentleman mentioned the Haskell School in Kansas. I would take the responsibility as a Member of this House, a member of the Committee on Indian Affairs; and as a citizen of the State of Kansas, and interested in the Indians, of stating to the chairman of the Committee on Appropriations that Haskell will not close if this bill does not include the item referred to.

Mr. SHERLEY. That may be, but even notwithstanding—

Mr. CAMPBELL of Kansas. And the pupils there will not suffer and the school will not suffer.

Mr. SHERLEY. Notwithstanding the gentleman's generous willingness to assume responsibility, I still insist that Congress would not be warranted, in view of the representations made before the committee in reference to appropriating some moneys. We diligently tried to get all the information possible, and I do not mean in anything I am saying to excuse the Indian Department for not being in a position to afford more information than they have. But in the last analysis we are faced with a situation which, on the basis of the best evidence that we could obtain, is this: That without this money being voted these schools, most of them, will have to close. Now, we safeguarded the fund and prevented it from being used, under the guise of that need, for other school purposes. For Congress not to vote the money seems to me would be to do an inexcusable thing.

Mr. CAMPBELL of Kansas. Could any bureau representing any department in Washington make a blanket covering of that sort for a claim unsupported by any details and get away with it?

Mr. SHERLEY. Oh, yes; they could.

Mr. CAMPBELL of Kansas. And get away with it? If all of the committees were as generous as the gentleman from Kentucky now appears—

Mr. SHERLEY. Of course, they could not get away with it. The gentleman from Kansas will distinguish between matters relating to teaching of children in schools and other matters that might simply relate to routine of departments in importance.

Mr. WALSH. Will the gentleman from Kansas yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. WALSH. Does not this item take care of the situation which was mentioned the other day by the gentleman from one of the Dakotas [Mr. NORRIS] when he called attention to the fact that several of these schools would be obliged to discontinue?

Mr. SHERLEY. There has been tremendous pressure brought to bear upon the committee by Members of the House touching this matter.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. CAMPBELL] has expired.

Mr. SHERLEY. Mr. Chairman, I ask unanimous consent for five minutes in my own right.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CAMPBELL of Kansas. What I want is information. I have no objection to this if it has merit.

Mr. SHERLEY. The gentleman from Oregon [Mr. HAWLEY] came to the committee and wrote us touching the matter. There were any number of gentlemen that pressed the matter and from their representations the committee was forced to believe that these schools would be closed if the moneys were not appropriated. We did our best. We held this bill for sometime trying to get all the detailed information that we thought we ought to have from the Indian Commissioner. But the failure to get it would not have justified us in simply ignoring the item as a whole. We have safeguarded it by the language that is contained in the paragraph.

Now, the proposition is plainly before the committee. If they feel because of a desire to punish somebody that may not have been as efficient in the management of these matters as they should be that they should shut off these schools, this is the way to do it. But I am more concerned in the Indian children than I am in taking a slap at the Indian Department.

Mr. CAMPBELL of Kansas. I am not basing this inquiry upon the inefficiency of the Indian Department, although I do think the Indian Bureau ought not to have supported a claim like this without some detailed information.

Mr. SHERLEY. I am not quarreling with that statement, but I am dealing with the facts.

Mr. CAMPBELL of Kansas. And I do not believe that the school referred to by the gentleman from Kentucky, at Haskell, would be closed if this bill were not to carry this item.

Mr. SHERLEY. If the gentleman is sure of his facts and wants to reduce this amount by \$18,000, so as to exclude that sum for the Haskell School, I shall not object.

Mr. CAMPBELL of Kansas. But the appropriation is not itemized.

Mr. SHERLEY. It is. We have got that item in the very statement that was presented to the House—House Document No. 721. And I repeat, if the gentleman desires to reduce the item by \$18,000, on his assurance to the House that he has the personal knowledge it is not needed for the Haskell Institute, I will not object.

Mr. CAMPBELL of Kansas. I have the belief that it is not needed by the Haskell Institute.

Mr. SHERLEY. Now, it is up to the gentleman.

Mr. MADDEN. Mr. Chairman—

Mr. SHERLEY. I yield to the gentleman from Illinois. I hope as soon as this matter is finished to move that the committee rise.

Mr. MADDEN. That was what I was going to ask.

Mr. SHERLEY. I will ask for a vote on the amendment, and then we will rise.

The CHAIRMAN. To how much of the paragraph does the gentleman direct his motion to strike out?

Mr. MADDEN. His motion is to strike it all out.

The CHAIRMAN. The gentleman from Kansas [Mr. CAMPBELL] moves to strike out the paragraph. The question is on agreeing to that motion.

The question was taken, and the motion was rejected.

Mr. SHERLEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, and had come to no resolution thereon.

APPOINTMENT OF SPEAKER PRO TEMPORE FOR TO-MORROW.

The SPEAKER. The Chair appoints Mr. BARNHART, of Indiana, to preside to-morrow.

ADDRESS OF THE PRESIDENT FEBRUARY 11, 1918.

The SPEAKER. The message that the President read to the House last Monday by inadvertence was not referred to any committee. It is now referred to the Committee on Foreign Affairs and ordered to be printed.

UNANIMOUS-CONSENT CALENDAR.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent that the order making next Monday unanimous-consent day be dispensed with.

Mr. GILLET. I understand this bill will not take probably the whole day, and unanimous-consent business, I think, ought to be provided for. If there is a balance of the day they should have it.

Mr. SHERLEY. I am perfectly willing to put my unanimous-consent request in this form: That this bill be the order for Monday, and upon its conclusion, if it shall be then concluded, the remainder of the day be devoted to the Unanimous-Consent Calendar.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the pending bill shall have the right of way on Monday, notwithstanding Unanimous-Consent Calendar, and so forth, or as much of Monday as is required to finish this bill, and if there is any time left over it will return to the Unanimous-Consent Calendar. Is there objection?

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, I would like to ascertain if possible whether an agreement can be reached as to the time of adjournment on Monday. We might run along on this bill to half past 4 and the remainder of the day would be a very inadequate time to devote to the Unanimous Consent Calendar, not amounting to more than an hour or to a half hour.

Mr. SHERLEY. I expected to finish this bill to-day, and under normal circumstances we would have finished it; but other matters came up. But I think we ought to be able to dispose of this bill on Monday in two or three hours.

Mr. STAFFORD. The discussion of the bill might be prolonged.

Mr. CANNON. We can adjourn at any time Monday.

Mr. SHERLEY. If we do not get unanimous consent, then we can provide another day. We have got to push along bills now if we are not to get into a jam later on. I think the committee ought to bear in mind that the very thing that all of us want to avoid—a late adjournment—is going to be absolutely certain unless we get these supply bills over to the Senate speedily.

Mr. STAFFORD. I have no objection to this bill taking precedence of the regular order of business on Monday. The only question in my mind is the feasibility of making the order that the rest of the day, which may be only an hour, shall be taken up by the Unanimous Consent Calendar. I would rather have a full day given over to that business. But I will withdraw my objection to his request, in view of the gentleman's statement.

The SPEAKER. The gentleman from Wisconsin withdraws his objection, and it is so ordered.

ADJOURNMENT.

Mr. SHERLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.), in accordance with the order previously made, the House adjourned until to-morrow, Sunday, February 17, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of State, submitting a supplemental estimate of appropriation required for the State Department for the relief and protection of American seamen for the fiscal year 1918 (H. Doc. No. 937); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of State, submitting a supplemental estimate of appropriation required by the State Department for emergencies arising in the Diplomatic and Consular Service for the fiscal year 1918 (H. Doc. No. 938); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of War, submitting a supplemental estimate of appropriation for salaries of draftsmen in the Bureau of Ordnance for the fiscal year ending June 30, 1919 (H. Doc. No. 939); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ROUSE: A bill (H. R. 9926) to enable the Post Office Department to bond its officers and employees; to the Committee on the Post Office and Post Roads.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 9927) to provide for the construction of a waterway from the Ohio River to Lake Erie; to the Committee on Rivers and Harbors.

By Mr. HAYDEN: A bill (H. R. 9928) to amend section 4 of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended June 18, 1910; to the Committee on Interstate and Foreign Commerce.

By Mr. O'SHAUNESSY: A bill (H. R. 9929) to repair, remodel, and modernize the public building at Providence, R. I., known as the old post-office building; to the Committee on Public Buildings and Grounds.

By Mr. LANGLEY: A bill (H. R. 9930) increasing rates of pensions of soldiers and sailors of the Civil War; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 9931) to amend the Judicial Code to permit appeals and writs of error from orders refusing to remand cases to State courts; to the Committee on the Judiciary.

By Mr. DENT: A bill (H. R. 9932) to amend an act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States"; to the Committee on Military Affairs.

By Mr. LA FOLLETTE: A bill (H. R. 9933) requiring the incorporation of eleemosynary societies and associations, or persons not organized as societies and associations when soliciting money for charitable aims and purposes in the Nation at large, and for other purposes; to the Committee on the Library.

By Mr. HAYDEN: A bill (H. R. 9934) authorizing a right of way for the transportation of water for improvement of grazing and the development of the live-stock industry upon public and national forest lands in Arizona; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 9935) granting an increase of pension to George W. McCurdy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9936) granting an increase of pension to Riley Wiggins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9937) granting an increase of pension to John Hagaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9938) granting a pension to Mary A. Kiplinger; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 9939) granting a pension to Annie Ridgeway; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 9940) granting an increase of pension to David L. Buchanan; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 9941) to correct the military record of Second Lieut. Van Buren S. Reber; to the Committee on Military Affairs.

By Mr. PADGETT: A bill (H. R. 9942) granting a pension to Denver Moore; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 9943) granting an increase of pension to Isaac C. Masson; to the Committee on Invalid Pensions.

By Mr. SEARS: A bill (H. R. 9944) granting an increase of pension to James Wakefield Carver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9945) granting a pension to Edward A. Brewer; to the Committee on Pensions.

By Mr. SHOUSE: A bill (H. R. 9946) granting a pension to Mary A. Blake; to the Committee on Pensions.

By Mr. SLEMP: A bill (H. R. 9947) granting an increase of pension to Burton M. Goins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9948) granting a pension to John T. De Hart; to the Committee on Pensions.

Also, a bill (H. R. 9949) granting an increase of pension to Henry Merida; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9950) granting an increase of pension to Rufus C. Davidson; to the Committee on Pensions.

By Mr. TILSON: A bill (H. R. 9951) for the relief of A. H. Holloway; to the Committee on Claims.

By Mr. WALTON: A bill (H. R. 9952) granting an increase of pension to Albert N. Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9953) granting a pension to John C. Thompson; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 9954) granting an increase of pension to Chester E. Kyte; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of Company B. Irish Volunteers, thanking Miss RANKIN for her efforts in behalf of Ireland, and urging Members of Congress to vote for the Rankin resolution; to the Committee on Foreign Affairs.

Also (by request), resolution of the New York City Federation of Women's Clubs, favoring the formation of an osteopathic corps in the United States Army; to the Committee on Military Affairs.

Also (by request), petition of citizens of Stockport, Ohio, urging the increase of pensions of Civil War veterans to \$50 per month; to the Committee on Invalid Pensions.

Also (by request), resolution of the Association of National Advertisers (Inc.), asking for the repeal of the zonal scheme of periodical postage rates; to the Committee on Ways and Means.

By Mr. CAMPBELL of Pennsylvania: Resolution of the Montour Presbyterian Church, Oakdale, Pa., urging the adoption of an amendment to the Constitution of the United States forbidding polygamy and polygamous cohabitation; to the Committee on the Judiciary.

Also, petition of the letter carriers and many other citizens of Duquesne, Pa., favoring increased salaries to postal employees and urging the passage of the Madden bill; to the Committee on the Post Office and Post Roads.

By Mr. CARY: Petition of H. M. McLarin, president of the National Federation of Federal Employees, opposing the Borland eight-hour amendment; to the Committee on Agriculture.

Also, resolutions of the Community Association of Crawfordsville, Ind., and the Woman's Club, Beaver Dam, Wis., asking for the repeal of the periodical postage amendment of the war-revenue act; to the Committee on Ways and Means.

Also, memorial of Slovak League, Local Branch No. 20, and the petition of George Filipek, Cudahy, Wis., asking for the formation of an independent Czecho-Slovak State; to the Committee on Foreign Affairs.

By Mr. DALE of New York: Memorial of the New York State Forestry Association, favoring S. 3344, establishing an adequate plant quarantine; to the Committee on Agriculture.

Also, petition of Russell S. Fowler, M. D., Brooklyn, N. Y., and resolutions of the Brooklyn Surgical Society, urging the passage of Senate bill 3748 or House bill 9563, advancing the rank of medical officers in the Army; to the Committee on Military Affairs.

By Mr. EMERSON: Resolution of Post 84, Veterans of Foreign Wars, concerning pension increase for veterans of the Civil War; to the Committee on Invalid Pensions.

Also, resolution of the City Council of Cleveland, Ohio, concerning the liberation of the Bohemians and Slovaks; to the Committee on Foreign Affairs.

Also, resolution of the City Council of Cleveland, Ohio, concerning Government ownership of telephone and telegraph systems; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER of Illinois: Petition of H. M. McLarin, president of the National Federation of Federal Employees, opposing the Borland eight-hour amendment; to the Committee on Appropriations.

Also, petition of the Chamber of Commerce of Dover, N. J., for the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also, resolution of the New York Antivivisection Society, opposing the compulsory inoculation of soldiers; to the Committee on Military Affairs.

By Mr. HILLIARD: Petition of Julia D. Ferris, of Denver, Colo., urging the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Snowy Range Lodge, No. 30, Brotherhood of Railroad Trainmen, urging the Congress to refrain from action on legislation designed to place men engaged in transportation service under Federal workmen's compensation; to the Committee on Labor.

By Mr. MERRITT: Evidence to accompany House bill 9917, granting a pension to Stephen K. Hamilton; to the Committee on Invalid Pensions.

By Mr. ROUSE: Petition of citizens of Erlanger, Ky., and vicinity, asking Congress to provide for the appointment of a chaplain for every 1,200 men in the Army; to the Committee on Military Affairs.

By Mr. TILSON: Petition of Woman's Committee of the Council of National Defense, for planting tobacco lands in food-stuffs; to the Committee on Agriculture.

Also, petition of Meriden (Conn.) War Bureau, in favor of resolution for drafting of aliens; to the Committee on Immigration and Naturalization.

HOUSE OF REPRESENTATIVES.

SUNDAY, February 17, 1918.

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore [Mr. BAENHART].

Rev. George Robinson, D. D., chaplain United States Army, retired, offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the earth. Who hast set Thy glory above the heavens.

When I consider Thy heavens, the work of Thy fingers; the moon and stars which Thou hast ordained: What is man, that Thou art mindful of him? and the son of man, that Thou visitest him? For Thou hast made him a little lower than the angels, and hast crowned him with glory and honor. Thou madest him to have dominion over the works of Thy hands. Thou hast put all things under his feet. All sheep and oxen, and the beasts of the field; the fowls of the air and the fish of the sea.

But Thou hast not only thus been mindful of man in his creation, but Thou hast been wonderfully mindful of him in his redemption! Not with silver and gold, not with all the mines of earth or the depths of every sea, could one soul of man be redeemed. The price of man's redemption must be taken from off the throne of God itself, the gift of His only begotten and well beloved Son, to become incarnate, and by a death shameful and cruel at the hands of men He came to save, atone for our sins.

O Lord, our God, we thank Thee for the life of this man in whose memory this service is held; for his devotion to his country, in his young manhood following the flag and offering his life to help to save the life and integrity of the Nation; for his service in the enactment of laws in State and national legislatures, and the interpretation and application of the laws of the land in a judicial position. May the memory of these services for his fellow men be a solace to the dear ones who most greatly mourn his loss as husband and father, and may the loving, pitying One speak the words of comfort to their hearts which no human voice can speak.

Again, in this hour of sorrow, would we lift our hearts in behalf of the land we so ardently love. O Lord Jesus, when Thou wert approaching Thy Gethsemane and Thy Calvary, Thou didst pray, "Father, save me from this hour!" So thousands of hearts in this land have prayed that our country might be

saved from this time of trial. But Thou, O Christ, in submission to the divine will, didst immediately add "But for this cause came I unto this hour." So it may be that for this cause, the cause of truth, of righteousness, and the true liberties of the nations of the earth, our Nation in the fulness of its prosperity has come to this time. And as Thou didst further pray "Father, glorify the name," so we believe that we have a right to pray Father in heaven, make this Nation glorious in the great cause to which it has set itself; that it may help to soon bring again to this troubled earth a peace which shall be founded on righteousness and truth, and justice for all that dwell on the earth.

In the name of the Lord Jesus Christ. Amen.

The SPEAKER pro tempore. The Clerk will read the Journal. Mr. DIXON. Mr. Speaker, I ask unanimous consent that the reading of the Journal be dispensed with.

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent that the reading of the Journal be dispensed with. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the special order for this service.

THE LATE REPRESENTATIVE COMSTOCK, OF INDIANA.

The Clerk read as follows:

On motion of Mr. DIXON, by unanimous consent, Ordered, That Sunday, February 17, 1918, be set apart for addresses upon the life, character, and public services of Hon. DANIEL W. COMSTOCK, late a Representative from the State of Indiana.

Mr. DIXON. Mr. Speaker, I offer the following resolutions. The SPEAKER pro tempore. The Clerk will report the resolutions.

The Clerk read as follows:

House resolution 251.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. DANIEL W. COMSTOCK, late a Member of this House from the State of Indiana.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The question was taken and the resolutions were unanimously agreed to.

The SPEAKER pro tempore. The Chair will first recognize the gentleman from Indiana, Mr. ELLIOTT, the successor of the deceased.

Mr. ELLIOTT. Mr. Speaker, in these days of sorrow and tribulation, when the world is on fire and we are daily called upon to witness scenes of carnage and suffering such as the world has never before been called to look upon, it is hard for us to realize, living as we do so far from the scene of conflict, what this war means to this world. It is impossible for us to conceive of the untold suffering which war brings to the nations which are engaged in it. Men who have gone through the terrible scourge of fire and blood and endured hardships and the sufferings of the late Civil War can, perhaps, in a measure, realize what it all means.

While we are now most intensely interested in the daily reports of the present war and are engaged with our own troubles connected with the terrible conflict now raging in Europe, we should not forget that we, as a nation, owe a debt of gratitude to the veterans of the Civil War which we can never repay. But while this is true it is our duty to do what we can while the few survivors are living to lighten their burdens and make their pathways brighter, sweeter, and happier; and as they one by one pass to that undiscovered country from whose bourne no traveler ever returns, it is our duty and our pleasure to render to their memories that measure of love and respect which their service to our country so richly entitles them to receive.

It is, therefore, a privilege and an honor to-day to pay this last small tribute of our love and esteem to the memory of a distinguished citizen of my native State, my friend and predecessor in this House.

The sixth congressional district of Indiana has produced some very distinguished and honorable statesmen in its day, among them Oliver P. Morton, the great war governor, who was one of President Lincoln's staunchest supporters, and whose bust now adorns the Hall of Fame adjacent to this Chamber. It has from time to time been represented in this honorable body by men whose fame was as wide as the Nation, and none was more beloved and respected in the community in which he lived than DANIEL WEBSTER COMSTOCK. His early life was not spent in luxurious ease; but he, like thousands of our best men, was brought up to work for his livelihood under the honest and frugal discipline which prevailed in the homes of the good old